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NEAR EAST/NORTH AFRICA REPORT

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OAPEC TECHNICAL CONSULTING FIRM ESTABLISHED

Kuwait AL-QABAS in Arabic 13 Jul 81 p 15

[Article: "Mutual Support of the Oil Producing Countries, the Sole Producer, to Counter the Maneuvers of the Monopolistic Western Oil Companies"]

[Text] The Arab Technical Consulting Company, which is an outgrowth of OAPEC, held its constituent meeting in Abu Dhabi yesterday.

The secretary general of the organization, Dr 'Ali 'Atiqah, stated that this company had capitalized \$12 million, of which \$3 million has been paid in expenditures and another \$20 million has been authorized. He said that it was the first company in which there would be participation by the national oil companies of the OAPEC members, not the governments of these countries, and that the Arab Consulting Company, an OAPEC company, would also participate.

He stated that this company, which would be headquartered in Abu Dhabi, would be a center for acquiring, mastering and developing technology in the field of petro-industries and for directing this technology toward building consulting expertise capable of meeting the needs of the member countries in particular, as well as all Arab and developing countries in general that might seek it.

He went on to say, "We view the establishment of this company as a major challenge to the ability of Arab specialists and officials in the Arab countries for creating consulting firms to operate in an Arab climate."

Dr 'Atiqah called for mutual support among the oil producing countries, as a sole producer of oil, "to counter the maneuvers of the monopolistic Western oil companies."

He said: "The current situation will afford an opportunity to the companies and the big powers to manipulate the oil producing countries."

He expressed his belief that the current reduction in oil production is an opportunity, not a problem, stating that over the next 10 to 20 years oil will be worth more than it is now.

He added that whenever production is lowered, expenditures controlled and reserves increased, "we are insuring against the switch from the present oil era to the future post-oil era."

He indicated that the second Arab energy conference would be held in the capital of Qatar next March, given the success of the first Arab energy conference which was held in Abu Dhabi in 1979 and which he described as a historic step.

He stated that the coming conference would be much bigger because it would bring together and develop the issues that were dealt with in the first conference.

He went on to say that the OAPEC countries are very interested in the issue of establishing an oil prospecting company since there is a strong belief that there are great opportunities for major oil discoveries, particularly since there are still undiscovered oil areas in the Arab world.

8389

CSO: 4304/81

OWNERSHIP OF LONDON PUBLICATION REVEALED

Beirut AL-SAFIR in Arabic 1 Jun 81 p 11

[Interview with Sudanese opposition representative Al-Sharif Husayn al-Hindi, date and place not given; for additional excerpts of the interview see FBIS DAILY REPORT: MIDDLE EAST AND AFRICA, Vol V, No 111, 10 June 1981 page Q4]

[Excerpt] [Question] What is your relationship with the Arabic magazine AL-DUSTUR which is published in London?

[Answer] Al-Sharif Husayn al-Hindi, as a representative of the Sudanese opposition, holds as public--not private--property 80 percent of the magazine AL-DUSTUR which is published in London. The remaining 20 percent is owned by the Ba'th Party regional leaders for the Sudan (Iraq). It is published jointly by the two parties. The journal is entirely public property. It does not belong exclusively to the Sudanese opposition. This journal is consistently and permanently opposed to the present regime in the Sudan. It has published several detailed exposés on this regime such as "The Black File," "The Perfidious Treaty" and "A Dossier Of Corruption." These articles together comprise a book of nearly 100 pages.

9123

CSO: 4304/109

INTER-ARAB AFFAIRS

BRIEFS

TUNISIA, OMAN TO JOIN OAPEC--The secretary general of OAPEC, Dr 'Ali 'Atiqah, stated that two other Arab countries, Tunisia and the Sultanate of Oman, would join the organization, which has its headquarters in Kuwait. He said that OAPEC, which comprises nine Arab countries, had received notification from Tunisia that it would submit a request for membership in the organization at its coming ministerial conference scheduled to be held in Abu Dhabi in December. Dr 'Atiqah added that there is a possibility that Oman might join OAPEC in the near future and said that he would be glad for any Arab oil-producing country to join the organization. Dr 'Atiqah had been speaking upon his departure from Abu Dhabi for Kuwait after attending the constituent meeting of the Arab Technical Consulting Company, the latest company established by OAPEC. OAPEC now comprises Saudi Arabia, Kuwait, Iraq, Qatar, Bahrain, the UAE, Syria, Algeria and Libya. Egypt used to be a member but its membership was suspended after it signed the peace treaty with Israel. [Text] [Kuwait AL-QABAS in Arabic 14 Jul 81 p 13] 8389

ENGINEERING PRODUCTS COMPANY ESTABLISHED--At the beginning of July, the first Arab company specializing in the marketing of Arab engineering industrial products was established in the Jordanian capital. Must fa 'Abd-al-Qadir, secretary general of the Arab Federation of Engineering Industries, which has its headquarters in Baghdad, told AL-QABAS that this company had been established on modern principals of marketing this type of goods with Arab capital and shares held by Arab companies specializing in this industry and by Arab citizens alike. He said that its headquarters would be in Amman and that it would open branches in other Arab countries. He indicated that another company would be set up for the production of copper rods for production of telephone and electric cables. It should be noted that the demand in the Arab East for copper rods for wire and cable projects at present totals 40,000 tons a year while in the Arab Maghreb it amounts to 35,000 tons a year. The federation has prepared a special study of this project and preparations are underway for holding a meeting of Arab companies that produce wire and telephone cable. [Text] [Kuwait AL-QABAS in Arabic 15 Jul 81 p 13] 8389

ARAB JOINT ECONOMIC PLAN--Dubayy, 2 Sep (QNA)--The national plan for joint Arab economic action currently being discussed by the Arab Economic and Social Council in Tunis will cost \$62 billion. It will include a five-stage plan at a cost of \$20 billion. AL-SAYAN said here today in a report from Tunis that the ministerial council will discuss a proposed specialized technical committee whose members--who are also delegates of the member states--will have the right to endorse the plan and a proposal on holding a meeting on 23 October in order to discuss the national plan. The paper added that the council is studying a suggestion to hold an extraordinary meeting of Arab foreign and economic ministers to discuss relations between the Arab states and the outside world, particularly between the north and the south. It was also suggested that planning ministers be called to join the meeting in order to discuss the five-stage plan. [Text] [CRUCIAL] Tunis UEA in Arabic 0835 GMT 2 Sep 81]

END 1/11/81

BRIEFS

OPEC LOANS--The OPEC Fund for International Development has announced two loans worth \$17.4 million to Togo and Jamaica. These credits bring total lending by the Fund to \$1.16 billion in 248 loans to 76 Third World countries. The \$10 million loan to Togo will go towards the construction of the Lome-Nose-Tahoun road, which is considered a vital development project to improve the country's trade and agricultural activities. This is Togo's second credit from the OPEC Fund, which had previously given balance of payments support to that country. Jamaica is to receive \$7.4 million in balance of payments supports, which has already been granted four times by the OPEC Fund. Only one of the Fund's total loans of \$27.3 million to Jamaica was for a development project. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 33, 17 Aug 81 p 8]

CSO: 4300/98

STEPS UNDER W. Y TO IMPLEMENT GULF COOPERATION COUNCIL PACT

Paris AN-NAHAR AL-'ARABI WA AL-DUWALI in Arabic No 216, 28 Jun 81 p 34

[Article: "After Coordination, Unity"]

[Text] The six member states of the Gulf Cooperation Council started on the path to economic unity when they approved a draft unified economic agreement during the meeting held last week in Riyadh by the ministers of finance of these states.

The agreement includes 25 articles aimed at "unifying and coordinating" the policies of the member states of the council in economic, oil, monetary, trade, customs and other areas, in addition to providing for freedom of travel, work and residence, freedom to pursue economic activity and transfer capital, and the right to ownership, inheritance and appointment of an executor within the states of the council.

This draft agreement will be submitted to the ministerial council when it meets in Riyadh in August and then to the Supreme Council for final approval, after which it would take effect.

Although the articles of the agreement are intended to "work toward coordination of projects of the basic structure with the aim of economic integration," it seems doubtful, at least at present, that it will be possible to achieve what 'Abdallah Bisharah, secretary general of the Gulf Cooperation Council, referred to as a very important article. This calls for "drawing up a unified policy for the production of petroleum in the states of the Council."

It is well known that this point, in its practical aspects, was the subject of quiet dispute in recent months between Saudi Arabia on the one hand and the other petroleum states within the Gulf Cooperation Council and outside it, because of Saudi Arabia's insistence on flooding markets with a huge production surplus while the other states (including Kuwait, the Emirates and Qatar from within the Council) insist on cutting back production. This is the question that could not be resolved during the recent meeting of the OPEC council. Observers see it as a political problem with various causes and dimensions rather than a purely economic problem.

In its basic articles, the agreement relies on the working paper drawn up by the leaders at the Gulf Cooperation Council summit meeting held in Abu Dhabi at the end of May, which some criticized for mixing fiscal, economic and commercial matters. It is interesting to note that this working paper asked the secretary general of the council to call on the ministers of finance and economy to draw up a unified economic

agreement within 2 months from the end of May. All of a sudden the agreement was ready in less than 2 weeks and was even approved during these 2 weeks, which means that it was as good as completed during the Gulf summit or that it was drawn up in haste along general lines on which there was no dispute.

In General, the working paper that was approved by the summit calls for fiscal and monetary cooperation through efforts to unify investment regulations and laws for the sake of "attaining a common investment policy aimed at directing domestic and foreign investments," with the provision that that would be done before the end of the 1981 calendar year.

The working paper also called for the creation of a standardized Gulf currency, which observers expect to be accomplished before November. Gulf experts say that studies of this new unified currency have been ready for some time and that the unified Gulf dinar is about to be born. All that remains is some more study of the dinar's value in gold or in special notes of withdrawal issued by the International Monetary Fund.

This is in addition to the working paper's insistence on "coordination of banking and monetary policy and increased coordination among monetary organizations and central banks of the states of the region to create a unified Gulf currency that will carry out the desired economic integration."

From another aspect, the paper calls for "coordinating fiscal and monetary policies of the member states on the external level in respect to offering international and regional aid for development."

If these are the bases on which unified economic agreement rests, no doubt there is great hope that there will be broad and rapid steps toward economic unity for the region. However, nothing will be done until there is implementation, which must be aimed at achieving independence of economic decisions. On this subject there is still more debate than agreement.

7587

CSO: 4304/55

PEACE OVERTURES ENCOUNTER PROBLEMS

Hong Kong FAR EASTERN ECONOMIC REVIEW in English 28 Aug 81 p 31

[Article by Ted Morello]

[Text] **New York:** The first signs of a possible negotiated settlement on Afghanistan are receiving a frosty reception from a United States administration unreservedly dedicated to confrontational diplomacy. This emerged as United Nations Undersecretary-General for Special Political Affairs Javier Perez de Cuellar reported back after his recent mission to Afghanistan and Pakistan.

Perez, a Peruvian diplomat who is also UN Secretary-General Kurt Waldheim's special representative on the Afghanistan issue, conferred with Afghan Foreign Minister Shah Mohammad Dost in Kabul and Pakistani Foreign Minister Agha Shahi in Islamabad in early August. On returning here, he reported to Waldheim that the two governments had agreed tentatively on a four-point agenda but were deadlocked on priorities.

The agreed points for debate if face-to-face bilateral negotiations eventually get under way are: the withdrawal of Soviet troops from Afghanistan; pledges of non-interference in Afghanistan's internal affairs; international guarantees — presumably including the US, the Soviet Union and China — backing the non-interference pledges; and the return of Afghan refugees, most of whom are just across the border in Pakistan's North West Frontier and Baluchistan provinces.

At the outset, Kabul and Islamabad disagreed on which item on the agenda should be taken up first. Afghanistan insists that the refugee issue should receive priority. Its rationale is that once the refugees — whom Kabul regards as active or potential guerilla raiders — return home, there will be no need for Soviet troops to remain in the country as a shield against rebel threats to the regime of President Babrak Karmal.

But Pakistan is holding out for Soviet troop withdrawal as the first order of business. Islamabad maintains that the refugees fled precisely because they were being massacred by the Soviets, and they have no intention of going back while Moscow's occupation force remains in their homeland. In fact, despite Kabul's repeated offers of amnesty, the displaced Afghans have not only refused to return, but are being joined by their countrymen arriving daily in a continuing exodus. In its most recent tally, the UN High Commissioner for Refugees reported that as of July 31 the number of Afghan refugees registered with the Pakistani authorities had swollen to 2.29 million. Therefore, Islamabad argues, troop withdrawal is a prerequisite to refugee repatriation.

However, even a Soviet withdrawal is unlikely to end an insurgency aimed at toppling Karmal, whose Marxist regime is deeply offensive to the devout majority of Muslim Afghans.

The first substantive follow-up to the Perez diplomatic mission will be proxy talks at UN headquarters in late September. With both Dost and Shahi here to

attend the 36th General Assembly session, which opens on September 15, Waldheim will meet the rival foreign ministers separately — a scenario tailored to Pakistan's refusal to deal directly with a regime whose legitimacy it does not recognise.

Waldheim's shuttle diplomacy here will be staged against a background of Afghanistan-related contacts which in rapid succession follow Perez' recent return from the field. On August 21, Shahi flew to Washington to discuss the issue with US Secretary of State Alexander Haig. Three days later, Shahi's schedule called for a meeting on the same subject in

Islamabad with visiting Soviet Deputy Foreign Minister Nikolai Firyubin.

On August 28, Shahi and US Permanent Representative at the UN Jeane Kirkpatrick are scheduled to confer in Islamabad. (Kirkpatrick is on a tour of Asia.) US State Department sources added that in Islamabad, the agenda was to focus on a joint strategy for handling the Afghanistan item when it comes up for assembly action. As the main frontline state, Pakistan can be expected to take the lead again in attempts to achieve a diplomatic settlement to the dispute.

However, these sources said, US President Ronald Reagan's administration is arguing for a tough UN condemnation of Moscow for its refusal to implement last November's assembly resolution calling, among other things, for the immediate withdrawal of foreign troops from Afghanistan. They added that Washington is concerned that such manifestations as the Firyubin visit and Islamabad's agreement to the proxy talks will be interpreted internationally as substantive peace moves or, even worse, a soft-on-communism retreat, and make it harder to muster the assembly votes necessary to condemn Moscow.

Bilateral discussions in advance of the proximity talks will peak when Haig and Soviet Foreign Minister Andrei Gromyko, each heading his national delegation to the Assembly, meet here in mid-September in the first top-level US-Soviet contact since Reagan moved into the White House last January. While their agenda will cover the entire range of East-West relations, there is no doubt that a special place will be accorded to Afghanistan, which more than any other recent event has soured relations between the superpowers.

UN diplomats, aware that the Haig-Gromkyo meeting could have a powerful effect on the Shahi-Dost proxy talks, will be watching the big two foreign ministers' conference with more than a trace of apprehension. Already, there is a growing concern that the Reagan administration's "shotgun diplomacy" — and the Kremlin's possibly equally tough response to it — will jeopardise the delicate Afghanistan negotiations. ■

CSO: 4600/166

MEASURES UNDERTAKEN TO STRENGTHEN INTERNAL CONTROL

Closer Contact with People

Kabul KABUL NEW TIMES in English 8 Aug 81 pp 1, 4

[Speech by Babrak Karmal at seminar of Department of Documents and Liaison of the PDPA CC]

[Text] KABUL, Aug. 8 (Bakhtar).— Babrak Karmal, General Secretary of the PDPA CC and the President of the Revolutionary Council of the DRA, received the participants of the seminar, convened by the Documents and Liaison Department of the PDPA CC on organising documents and creation of a new administration at the Gul Khana Palace, the Revolutionary Council headquarters, and talked with them in a completely democratic and sincere atmosphere.

Upon his entering the Gul Khana Palace, Karmal was welcomed and greeted by the participants of the seminar with prolonged applause and revolutionary enthusiasm.

Dwelling upon the importance and nature of a healthy filing system of documents and the relation of party and Government authorities with vast masses of people, Karmal, in a part of his speech, said:

Comrades! In the two-day seminar you have become fully acquainted with all aspects of procedure and management, working procedure with documents procedure for reception of people, their petitions and letters and have exchanged your experiences.

The PDPA has attached great importance to the improvement and completion of party office procedures and management and will do so in the future. We believe that working with documents constitutes one of the major and important parts of party committees' activities.

The party has entrusted you with this important and responsible job. We expect that you utilise all your knowledge, experience, energy, steadiness, seriousness toward the creation of a really healthy order in office procedure and handling of documents in accordance with the requirements and instructions of the Central Committee.

In order to discharge your respective duties, it is necessary that you, in charge of documents and liaison offices of party committees, development and manifest qualities of orderliness, efficiency, seriousness, discipline and a sense of responsibility in yourselves. You must serve as excellent models for all party and Government employees in office procedure and management and handling documents because the major bulk of your work constitutes the establishment of liaison among party committees, leading body, secretariate, 'operate' and among all the branches of the Central Committee.

As I have been informed,

participants in the seminar have paid ample attention to the completion, inspection and control of the execution of affairs in their speeches."

Karmal added: "I, in my turn, want to point out that inspection and control of the implementation of

resolutions, party and Government instructions is one of the important means of promoting demands and a forceful tool of managing affairs in party committees.

"Inspection of the implementation of all resolutions and instructions must be conducted with seriousness and the utilisation of all available forms of control. You must always keep in mind that only a careful study of matters, a careful and systematic forwarding of information, an objective (timely and profound analysis of the situation in localities and serious and documented proposals can bring success in the inspection and control of the implementation of resolution.

"In order to control the implementation of the resolutions, a creative, serious, attitude and a sense of party responsibility must be mobilised considering the overall affairs of the Saur Revolution.

"If the affairs connected with control are left disorganised and without due attention, creative organisational work is unknowingly dragged to meetings. Thus living and important affairs are replaced by words and unnecessary paper work which will consume the valuable time of the party organisation."

In another part of his speech, Karmal said: "Our party always endeavours to expand and strengthen the relations of the vast masses of people. One of the living forms of these relations is the party committee working with the letters and complaints of people.

Letters make it possible to assess the effectiveness of the work of party committees and get information about the condition of the committees and Government masses of people and find solutions to their problems and remove flaws.

"You, when attending to the letters, a source of information about the life, emotions and aspirations of the people, must seriously and incessantly attempt to have a benevolent attitude towards the written and oral demands of people.

"You must consider the handling of letters as a major portion of your organisational and political work.

"The proposals, published criticisms, consultations and complaints contained in letters must be immensely used. Serious work must be undertaken by party committees to remove the factors that have caused discontent among people."

Karmal's speech was followed by questions raised by the seminar participants which were given satisfactory answers in a completely friendly and democratic atmosphere.

At the end of this meeting, one of the participants of the seminar, on behalf of the others, expressed gratitude for being received by Karmal and for his significant speech and pledged that, with sacrifice and selflessness and understanding the great mission with which the PDPA has entrusted them, will try

hard to keep and guard party documents and relations of the party and Government authorities with masses in a healthy manner. convened for the purpose of better management, documentation and creation of a new administrative system at the PDPA CC headquarters has ended.

Results of seminar were assessed as positive.

At the closing session, Aug 5, Sayed Taher Shah Paikargar, alternate member of PDPA CC and deputy chief of the organisational department of the CC, spoke on the importance of the seminar and assessed its outcome in promoting the educational level and better management of office procedures as 'fruitful and useful.'

Also the incharge of the documents and liaison department of the Central Council of Trade Unions of Afghanistan, an instructor from the documents department of the party CC and a provincial representative, supporting HRDLU tative expressed readiness for the implementation of the resolutions of the seminar.

At the end the participants visited various branches of the CC and its archives.

Better Administrative System

Kabul KABUL NEW TIMES in English 9 Aug 81 p 2

[Editorial]

[Text] The holding of the first seminar on managing, organising and filing of documents and creation of a new administrative system was a right step taken towards the right direction at this time when the party and government have embarked on the road to progress and development of various aspects of the public life.

Convened by the Documents and Liaison Department of the central committee of the PDPA at the headquarters of PDPA CC, the seminar was addressed by prominent party members who drew the attention of the participants to the ordering and organising of documents in a proper and efficient way so it could help in implementing the programmes and plans undertaken by the People's Democratic Party of Afghanistan and DRA government.

The main purpose of the seminar was to create a new progressive and productive system in office management and speedy handling administrative affairs.

The seminar was a very important move made by the Documents and Liaison Department of the PDPA CC towards introducing reforms in office management and creation of a system which would be conducive to the effective realisation of the

lofty objectives and goals of the People's Democratic Party of Afghanistan and the DRA government. Instructions and orders cannot be properly put into effect if an effective and efficient administrative system is not developed within the government and the party as well.

The seminar which lasted two days not only discussed the duties and responsibilities of personnel and officials in charge of record keeping but also sought means and ways of improving office management and efficient performance of the tasks entrusted.

The seminar provided a good opportunity to the participants to exchange their experiences in handling records, keeping documents and maintaining good relations between the party organisations. No doubt the seminar consolidated the ties existing between the Central Committee and the provincial committee of the People's Democratic Party of Afghanistan.

It is a clear and open fact today that the bigness and complexity of the party and government programmes and functions have given rise to the need for focusing attention on the improvement of administrative and managerial affairs in the interest of a growing Afghan society. The

seminar was an attempt to systematically arrange and order the PDPA and DRA government affairs so far as to achieve the desired ends of the party and government in so far as this goal is humanly possible to reach. It is, in fact, an attempt to systematically work toward an honest integration of all points of view to the end that every individuality may be mobilised and made to count, both as a person and as an effective part of his group and of the society at large.

Reorganisation of administration and turning it into a dynamic and useful force to implement the party and government programmes has been the main concern of the domestic policy of the government of Democratic Republic of Afghanistan. Last year for the first time in the history of Afghanistan a grand meeting was held to create an effective and efficient administrative system to be able to efficiently discharge government functions and do away with the old bonds of feudal and prefeudal orders. Since then in various ministries and public organisations efforts are directed towards the improvement of administrative system to execute the development plans rapidly and without any red tape and administrative bottlenecks.

In the past when the feudal order and monarchical regime were in power the government functions were characterised by red tape, bureaucracy and corruption including forgery, embezzlement, favouritism and nepotism. Individuals and clients used to go from one office to another and from person to another in order to get their work done. In every step he had to surmount an obstacle or bottleneck created not only by the bureaucrats but also by the outdated rules and regulations which could not meet the requirements of the time. With the victory of the Saur Revolution and especially its new evolutionary

phase the party and government leadership began to strive to do away with the bureaucratic way of handling administrative work of the government and the party and fulfilling the responsibility they are shouldered with.

It was because of this fact that Babrak Karmal General Secretary of PDPA CC and President of the Revolutionary Council while receiving the participants of the seminar in an address said: "in order to discharge your respective duties you should manifest in yourselves qualities of orderliness, discipline, efficiency, seriousness and a sense of responsibility".

New Zoning System for Kabul

Kabul KABUL NEW TIMES in English 10 Aug 81 p 3

[Text]

After the victory of Saur Revolution especially its new evolutionary phase under the leadership of the People's Democratic Party of Afghanistan important and wide steps have been taken towards the safeguarding of the gains of Saur Revolution, development of national economy and improvement of the living conditions of the people of Afghanistan.

Making the above remarks in an interview with the reporter of the Kabul New Times the Kabul Mayor Engineer Adina Sangeen while commenting on the new administrative division of the Kabul city said that in accordance with the aims of the party and DRA government for the prosperity and welfare of

the inhabitants of the Kabul city the Kabul city has newly been divided into 11 precincts through cooperation of Kabul City Party Committee and the Kabul Municipality.

The respective proposal for the new administrative division of the Kabul city was recently prepared by the Kabul City Party Committee and Kabul Municipality in an attempt to remove the problems and difficulties the Kabul citizens were faced with. The proposal was advanced to the party and state authorities and was recently approved by the Politburo of the Central Committee of the People's Democratic Party of Afghanistan.

With the approval of the new administrative units of

the Kabul city large facilities will surely be provided to the Kabul citizens. In the previous administrative division of the Kabul city basic norms were not taken into consideration equally as far as area, population, number of cultural institutions, recreational areas and other needed services and facilities are concerned.

ZONES

There were 11 party zones, 24 sarandoy (police) stations, and 24 municipality precincts and 6-8 traffic zones. Likewise social organisations such as women's organisation, youth organisation and trade unions were not organised and not established within the framework of the municipality units.



A sketch of the Kabul new administrative divisions.

As mentioned earlier, Eng. Sangeen added, the division of the Kabul city into 22 units was not based on the basic norms of modern cities and towns. There were many gaps and defects existing in the administrative division of the Kabul city. For instance, Paghman, located 15 kilometres from Kabul, a summer resort for the Kabul citizens had been turned into 14th precinct of Kabul city.

On the other hand, the areas close to the Kabul International Airport and other areas located 7-8 kilometres from the Kabul city which should have been part of the Kabul City precincts were connected with the woleswalis of Kabul province.

Dip Eng Sangeen said: In the previous administrative division the border lines of the precincts were not specified. Likewise, the

customs, national, historical and religious traditions of the inhabitants of various areas of the Kabul city were not taken into account. All the Kabul citizens know that the capital of the Kabul city, the old city, has had special culture, customs and traditions. However, this part of the city was divided into 6th, 7th and 8th precincts regardless of taking this principle into consideration.

Therefore, the previous administrative division was not proper and, consequently, the different organs and institutions of the city were faced with many difficulties and problems in the daily life. Under the new administrative divisions eleven precincts have been created in the Kabul city.

Talking of the differences between the present and the past administrative divisions of the Kabul city the Mayor of Kabul said: Each of the present precinct of the Kabul city has party city committee, municipal council, social organisations, a police station, a municipality office and several other organs.

In the new administrative division of the Kabul city social, and economic conditions and national historical customs and religious traditions of the inhabitants of various precincts have been taken into consideration. The proportional division of population, areas, social and cultural organisations, cinemas and development possibilities of each precinct have been taken into account on the basis of the Kabul city master plan.

In making the boundary lines of the Kabul precincts use has been made of the fixed border lines such as mountains, roads and Kabul river. The new administrative division of the Kabul city will handle public affairs better and maintain public security in a

more effective way in various parts of the city.

It should be mentioned, Eng Sangeen added, that the Kabul Municipality units or precincts will be entrusted with greater tasks and responsibility in handling municipality affairs.

The powerful delegation from the Central Office to several municipality units throughout the Kabul City and the participation of the Kabul citizens in removing the municipality problems and difficulties and the better coordination between the functions and activities of various precincts and establishment of party city organs and government offices will help the Kabul citizens live a comfort and tranquil life.

In the new administrative division of the Kabul Municipality the population of each precinct will be a maximum of 70,000 and minimum of 10,000 people. This number has a complete logical ratio with the area of the respective precinct.

Likewise, Eng. Sangeen said, he shortcomings existed in the past administrative division of the Kabul City are fully removed now. Every precinct will be separated from others by fixed borders lines. Except for precinct 12th, all other precincts have a common border line with the centre of the city. The areas close to the border lines of Kabul city have been taken out of the Kabul woleswalis and connected with one of the 11 precincts of the Kabul city.

SECURITY CRACKDOWN IN KABUL, FIGHTING REPORTED

Heavy Security Crackdown

Lahore THE PAKISTAN TIMES in English 20 Aug 81 pp 1, 5

[Text] New Delhi, Aug. 19: The Soviet-backed Government in Afghanistan last week conducted one of the heaviest security crackdowns in Kabul in recent months, Western diplomatic sources said here today.

They said the operations included the searching of vehicles troops concentrations at key points, systematic searches of houses and the closing of Kabul airport for several hours.

Many people in the Afghan capital believed the crackdown was aimed at finding new recruits for the army, but the sources said the most logical reason seemed to be Government concern at the level of Mujahideen activity and infiltration into Kabul.

Despite the crackdown, the pace of Mujahideen attacks in Kabul remained at about the same level as in recent previous weeks, they said.

The sources also said that Soviet and Afghan troops fighting Mujahideen had been active in Parwan province, north of Kabul on the road to the Soviet Union. They quoted reliable sources as saying Kariz Amir about 40 kms north of Kabul was pounded from the air and by tanks last Thursday.

Another report adds: Seven teenagers were shot dead in Kabul recently while resisting or trying to escape forced induction into the desertion-ridden Afghans armed force, a report from Afghanistan said last night.

The seven deaths occurred within five days last week in the vicinity of Mikrorayan, a Soviet housing complex, and four in other parts of the capital. Two such killings were independently confirmed on Tuesday by a Western diplomat.

The Kabul report said the stepped-up programme involves spot identification checks of young men virtually every 100

yards along some Kabul streets and assembling those selected at the reshkhor military induction centre outside the city without informing their families.

Conscription squads have been authorised to fire on any youth resisting or trying to escape the checks causing great resentment in the Afghan capital, the report added.

According to a London report fighting raged between the Karmal forces and the Mujahideen

at a place 15 kilometres off Darwazai border post in Zabul Province, as a result of which eight Karmal soldiers were killed and three Mujahids were martyred.

Darwazai is situated at a distance of 30 kilometres from the Pakistan border.

On August 13, the Mujahideen were going in a tractor trolley when over 30 soldiers coming in a truck from Darwazai fort chased them. They fired at the

tractor and punctured its tyres. The Mujahideen exchanged fire with them taking the cover of trolley and killed the two soldiers sitting at the front seat alongwith the truck driver. The truck stopped and the Karmal force came out facing the Mujahideen. The hand-to-hand fight started as a result of which another five Karmal soldiers were killed. The Karmal force retreated and ran away towards the fort. Three Mujahids Karim Jan, Jumma Khan and Baz Muhammad succumbed to their injuries, while the injured tractor driver succeeded in reaching the destination. The driver's condition

is stated to be out of danger.

In Darwazai fort there are 250 men stationed alongwith artillery, 10 tanks and 10 armoured cars. Mines have been planted around the fort to the distance of five kilometre to the each side. The surrounding areas are under the control of the Mujahideen. The food supplies and other reinforcements are sent to the fort by helicopters. The Mujahideen had neglected this fort for sometimes. It is for the first time that a Government force came out of the fort and attacked the Mujahideen.—AAP.

Intelligence Service (KHAD) Buildup

Lahore THE PAKISTAN TIMES in English 21 Aug 81 p 4

[Text]

RAWALPINDI, Aug. 20: The Soviets are bringing in advisers from other Warsaw Pact countries in Afghanistan and a number of high-ranking East German intelligence officials have been in Kabul for the past few months to impart specialised training of KHAD men and refurbish their intelligence gathering apparatus.

This was published by "India Today" in its latest issue of August 15 in an article captioned "Afghanistan tightening the screws".

According to the article, recently the Soviets have been working night and day to complete an oil pipeline from Hayratan inside the Soviet Union, along the main Salan road linking Kabul with the Soviet border—another overt indication of their determination to make a permanent base in Afghanistan.

According to the article: "British Foreign Secretary Lord Carrington's frantic dash to Moscow last month symbolised a depressingly familiar scenario. Ever since the Soviet military machine punched into Afghanistan in December 1979, frantic diplomatic efforts to carve out a compromise on the "Afghanistan problem" have come up against a blank wall of Russian obstinacy. Carrington's European

Economic Community backed proposal for convening an international conference on Afghanistan merely represented the

latest such attempt and predictably met with a firm rejection from the Soviet side.

The Soviet rebuff to Carrington, however, has once again fuelled intense speculation on what is the most intriguing story of the decade—what exactly are the Soviet plans for Afghanistan? With media coverage of that ill-starred country virtually non-existent since the clamp down on journalists' visas over a year ago, a possible answer has been shrouded in uninformed guesswork and often biased diplomatic reports. "India Today" correspondent Asoka Rana, however, managed to obtain a visa for Afghanistan last month and spent ten days in Kabul and the major trouble spots to make an on-the-spot assessment of the Soviet strength and weaknesses, their current strategy in Afghanistan, the extent of resistance and what effect the Soviet presence has had on normal everyday life in the country 19 months after the Soviets moved in.

Elsewhere, the Muslim world was withdrawing into a period of deep religious significance—Ramazan, a month of abstinence and self-sacrifice. In Afghanistan, Ramazan merely ushered in unobstructive changes. The restaurants and souks were emptier than usual and though

the curfew had been extended till midnight, Kabul is a ghost city by early evening, just as it has been for the 19 months since the Soviets moved in. Soviet tanks and armoured personnel carriers (APCs) still jumble through the streets at night, but in far greater numbers and their deep-throated

nocturnal growls are now challenged by the high-pitched whine of 200 Soviet-made Niva jeeps that criss-cross the city on 24-hour patrols. The jeeps, painted a dazzling white, have been recently brought in from the Soviet Union for the exclusive use of the dreaded Afghan Secret police. Khadmita Idara Daulahi (KHAD).

Judging by the dramatic increase of activity, the Soviets are making plans for a permanent presence in Afghanistan. The jerry-built barracks and tents, hastily erected to accommodate the massive influx of troops early last year, have been replaced by permanent structures in virtually every Soviet military base, with proper mess halls, dining rooms, bars and recreation facilities.

Kabul airport is a hive of activity with MIG-21s and MIG-23s in a constant state of combat alert while ponderous AN-12s and AN-24s land and take off at regular intervals, bringing in equipment and weaponry and taking out casualties from Mujahideen encounters.

Soviet movements: Last fortnight, the Soviets signed a yet unpublicised "agreement" with the Karmal government that gives them total control of the Wakhan bulge, a narrow strip jutting into the Pamir Plateau. The bulge, which is now out of bounds for the Afghans, offers the Soviets a strategic spring board into China's Sinkiang province. Military intelligence sources in Kabul say that the Soviets had moved two new infantry divisions and were building an airstrip.

The attack and its aftermath were both a measure of rebel conference and Soviet overkill. Like the Americans in Vietnam, the Soviets are paying a heavy price for their continuing presence in this embattled country.

Intelligence sources estimate their losses in rebel skirmishes since December 1979, to be at least 6,000 men. Last May, a five-man high-powered military team led by General Okolosky arrived in Kabul to ascertain why Soviet casualties were abnormally high in what is a limited and localised flushing out operation.

Determination: Recently the Soviets have been working night and day to complete an oil pipe line from Hayratiya, inside the Soviet Union, along the main Salan road linking Kabul with the Soviet border another overt

indication of their determination to make a permanent base in Afghanistan. Similarly, they have, over the past six months, started requisitioning houses for the treaty trickle of civilians, military and intelligences' advisers who flit in and out of Kabul. "They (the Russians) are throwing us out of our own houses till their accommodation is ready and we are forced to stay in rented houses", said a former Afghan diplomat in Kabul.

Intelligence sources also see as significant the fact that the Soviets are bringing in advisers from other Warsaw Pact countries. A number of high-ranking East German intelligence officials have been in Kabul for the past few months to impart specialised training of KHAD operatives and refurbish their intelligence-gathering apparatus. Retribution for aiding the Mujahideen is now done in far more subtle ways. Instead of bombing areas suspected of harbouring rebels, the Soviets are now employing indirect methods such as cutting of power and food supplies. Kandahar, an area of known rebel activity, has say these sources been without electricity for the past six months.—PPI.

Establishment of 'Recreation Clubs'

Lahore THE PAKISTAN TIMES in English 23 Aug 81 p 8

[Text] LONDON, Aug. 22: Karmal regime is trying hard to ruin the moral values of religious-minded Afghans by allowing establishment of brothels in Kabul. Opponents of the regime and unsatisfied members of Kahiq faction have strongly criticised the step.

Reports from Kabul say that some days ago two brothels were established in Kabul—one in Shahr-i-Nau and the other in Shah Shaheed. In these brothels prostitutes and abducted women are kept to please the sex-starved Russians and Karmalite soldiers.

At night, when Kabul is under strict curfew, these areas remain busy under the protection of security forces. Reports from other cities also reveal that such brothels have also been established with same purpose. In cantonments and small army bases "recreational clubs" fulfil the amorous desires of Russian and Karmalite soldiers. In these clubs "recreational facilities" are provided officially on a small scale.

Opponents of the puppet regime accuse that immoral values are wilfully encouraged by the authorities. They also

quote an instruction to the Afghan police which restricts police to register a case against adultery. According to this instruction "amorous relations between men and women are their personal affair. Karmal regime is providing full protection to adultery for surreptitious reasons the opponents said.—AAP.

Conscription of Schoolboys

Karachi MORNING NEWS in English 27 Aug 81 p 8

[Excerpt] A New Delhi report says: More than 300 Kabul schoolboys have been forced into the Afghan armed forces by conscription squads sent out to find replacements for military deserters, a report from Afghanistan said on Tuesday.

A Kabul source, who asked not to be identified but has been accurate in the past, reported that the draftees were immediately moved to remote provinces for rudimentary training before being thrown into battle with anti-communist guerillas, who control much of the Afghan countryside.

"The impressments reportedly followed the launching of a new conscription programme involving house-to-house searches and spot identification checks of young men every 100 yards (30 meters) along Kabul streets. Seven teenagers were reported shot to death recently in the Afghan capital while resisting or trying to escape forced enrolment in the military.

The source said the schoolboys were conscripted and sent outside Kabul without their families being informed. Relatives and friends have been visiting the homes of the draftees to express sorrow for the forced induction, he added.

The families of the impressed boys, having little hope of seeing their sons survive the fighting, appeared to be in mourning, the report continued.

Meanwhile, attendance in the 11th and 12th grades in Kabul high schools continued to be very low with thousands of boys having been sent by their families to the neighbouring guerilla controlled provinces of Logar and Parwan.

Although the official draft age in Afghanistan is 20, men much younger are being enrolled for compulsory service in the armed forces, according to reports from Kabul.

Committee

The Kabul administration has set up a committee under the chairmanship of Defence Minister Mohammad Rafi to review the constant increase in the strength of resistance movement, defeat of Government forces and growing incidence of Soviets casualties.

The branches of the committee would be established on the sub-divisional basis in the entire country to advise on devising a new war strategy.

The decision to the effect was made at a top level meeting last week attended by the Cabinet members, some of the Revolutionary Council members, Soviet Advisers, Soviet Ambassador in Kabul, Provincial Governors and some of the important office-bearers of the ruling party. During the meeting continuing for three hours, the demoralisation of the Afghan army growing incidence of desertions from the Afghan army and deteriorating morale of the party workers, were pinpointed as the fundamental causes for the reverses of the administration.--AFP/Reuter/APA/APP/AAP.

CSO: 4600/165

ALGERIA

NEW LEADERSHIP'S POLICY DISCUSSED

Paris AL-MUSTAQBAL in Arabic No 225, 13 Jun 81 pp 10-11

[Article by Ibrahim Salamah: "Policy of New Algerian Leadership: Continuity, Along With Avoiding Some Past Mistakes; Algeria Living in State of Psychological, Intellectual and Political Relaxation"]

[Text] Algiers--I haven't visited Algeria for 7 years, i.e., since the second press interview I had with the late President Houari Boumediene. In these 7 years, many things and many faces have changed. This is why Dr Mohieddine Amimour, the information adviser at the Presidential Office, advised me to meet with the largest number of new officials (excluding President Bendjedid). I have complied with his wish.

I have met with Abdelhamid Mehri, the party official in charge of cultural affairs, then with Minister of Information Boualem Bessaïeh, with his colleague Minister of Tourism Abdelmadjid Allahoum, Minister of Commerce Abdelaziz Khellef, with legal adviser at the Presidential Office Ismail Hamdani and finally with the Director of Internal Security Hadi Khediri. This is in addition to some old friends, such as Deputy Saleh (Boujomah), former ambassador and current deputy Osman Saadi and, of course, veteran leader Ibrahim Touban.

I had two questions on my mind which I addressed to all those with whom I have met. The first is: What has changed in Algeria since Boumediene's death? The second is: Where is Algeria heading in its new era under the presidency of Chadli Bendjedid?

Regarding the first question, the modes of answering varied but the content has been nearly the same. One of them said: "There has been no fundamental change in the Algerian policy. But there have been some modifications imposed by the reality and dictated by the country's circumstances."

The minister of trade, who is a member of the Central Committee and a young man in his thirties, summed up the answer by stating: "It is a phase of reevaluating the structure of the state institutions in which bureaucracy has grown and thrived, turning the institutions into a burden to the citizen instead of being his servant."

Hadi Khediri, a former diplomat whose actions still display traces of his background, said: "There has been no change in the manner reported in the French press. I believe that France has not understood the Algerian people from the eruption of the liberation war in 1954 until the present. What happened has been simple and logical. President Boumediene died and fate didn't give him the chance to complete the constitutional institutions necessary for Algeria. Chadli Bendjedid was elected as his successor and he has completed the structure. The powers have been divided between the party's Central Committee and the ministers. Above the two institutions are the Political Bureau, which emanates from the Central Committee, and the president of the Republic who is the party secretary general and the president of the Republic, i.e., the commander in chief of the armed forces, at the same time.

"Naturally, the new Algerian officials have added their imprint; the late president had his personality and his style of work; and the new president has his own style and his approach. This is natural. However, the constant characteristics of the Algerian policy as defined by the National Charter, i.e., Algeria's Arabism and its Islamic dimension, its commitment to socialism as an economic system and its international affiliation with the nonaligned group, are things that have not been touched, and may not be touched by anyone; because they are fateful fundamental options reflecting Algeria's geographic, historical and cultural reality."

This is a summary of the answers of a number of Algerian officials to the first question. As for the second question--where is Algeria heading in its new era?--the answers have once again been close and similar. Khellef, the minister of foreign trade, said: "The socialism adopted by Algeria is not a ready-made mold imported from abroad. It is an intrinsic experience subjected to Algeria's circumstances. Therefore, through experience, we modify here or there according to the dictates of the public interest." Adnan [sic] Hamdani, the legal adviser at the Presidential Office, said: "Algeria has adopted and continues to adopt nonalignment in its international policy. It also believes in and defends the principle of self-determination for all peoples of the world. At the same time, Algeria is a socialist Arab Maghreb republic which moves along three axes:

"The Arab axis in its relations with the Arab Maghreb neighbors and with the Arabs of the East.

"The African axis where Algeria performs a vanguard role in assisting the developing African countries and in establishing sound economic and political relations with them.

"The Islamic axis which emanated from Algeria's historical and cultural reality, a reality which has made Algeria a prominent and active member in all the Islamic organizations and conferences."

Hamdani added: "I can assure you that the plots being hatched against Algeria, and with these plots all the military axes in the African continent nurtured and encouraged by Washington, only seek to drag Algeria to sidebattles after which Algeria would swerve from the firm bases of its domestic and external

policy. Despite all these attempts, Algeria still clings to the fundamental principles spelled out in the Charter and discussed in the special fourth congress."

The third question was: Algeria's relations with its sisters the Arab Maghreb countries are blemished by caution at times and by fear at others. What is the reason for this and what is the responsibility of the Algerians?

Most of the Algerian officials were initially surprised by this question but then their answers followed:

Dr Amimour explained the situation in the following manner:

"First, perhaps because only Algeria had a revolution and its people waged a valiant and ceaseless struggle to expel the colonialist. This condition has created in the Algerian citizen a kind of self-confidence which is at times too exuberant.

"Second, Algeria follows a realistic policy through which it doesn't seek to dominate its neighbors or even to gain spheres of influence, as some of the continent's countries do.

"Third, the system prevalent in Algeria inevitably forms, with its well-known intellectual and economic balance, a point of attraction for the peoples of the Arab Maghreb. This is something of which the neighboring Maghreb regimes are wary."

Dr Hamdani was more on the offensive in his answer, saying: I want to ask you the question in reverse: "What fraternal Maghreb country can say that Algeria has interfered in its domestic affairs or has tried to change its political system?" Relying on documents and history, he added: "Contrary to what you say, Algeria signed cooperation agreements with its sisters, the Maghreb countries. We signed trade agreements with Morocco in 1963 concerning the freedom of movement of individuals between and inside the two countries and an agreement on capital partnership, provided that our partnership does not include any foreign capital. The late President Boumediene visited Morocco for this purpose and this was the first agreement concluded by Algeria with its neighbors. The Moroccan side did not implement the agreement and the issue has been forgotten. The same thing happened with the Tunisian cabinet of Ahmed Ben Saleh. We concluded with Tunisia an agreement for partnership in the iron and steel industry and then discovered that the Tunisian government wanted to participate with French capital. It was then that the late President Boumediene uttered his famous phrase: "We expelled them through the door so that they may return through the window?"

What about Libya, Dr Adnan?

"Our relations with Libya are normal and we received a Libyan official yesterday. Consultations between the two countries are constant. We believe in unity among the Maghreb peoples first and then with the brothers in the Arab East, beginning from the base and not the top. The educational curricula must be first unified,

then the currencies, then the economic and agricultural programs, and then entry visas between the Maghreb countries must be abolished before the defense and foreign policies are unified. We have learned a lot from the experiences of the Arab East countries."

This is a summary of the opinions of a group of Algerian officials on the transformations experienced by Algeria in the past 5 years. A visitor to Algeria notices that there is actually a state of psychological, intellectual and political relaxation which expresses its opinion loudly, and seeks to continue the policy established by the late President Boumediene, while avoiding some of the mistakes committed in the past.

8494

CSO: 4504/14

IRAN

MONARCHIST GENERAL REPORTED ACTIVE IN WEST AZARBALJAN

London IRAN PRESS SERVICE in English No 35, 27 Aug 81 pp 4-5

[Text] Paris reports early this week said General Bahram Aryana, leader of the nationalist-monarchist group Azadegan which was responsible for the gunboat exploit and which is trying to unite the opposition to the Khomeyni regime, is now inside Iran.

He is said to be in the area near Shahpour, near Lake Rezaieh, in western Azarbaijan, in a region where pro-monarchist tribal leader Jahangir Khan Dari is said to have at least 20,000 men under arms.

Aryana has issued a new appeal to all Iranians to join together in saving Iran from those whom, he said, were now destroying it economically and culturally.

And he warmly praised exile opposition political leader Shahpour Bakhtiar for his prompt backing of the Tabarzin action. Aryana said he hoped that together they could save Iran from the "theocratic whirlpool."

Bakhtiar's call for support for Aryana after the gunboat incident was widely praised by centrist and rightist exile opposition groups, whose spokesmen said they saw it as the first really significant step by an exile leader to give a lead to uniting all nationalist opposition to the Tehran regime. Many people who had been critical of Bakhtiar in the past applauded his call.

"In conversations with Iranians in many different countries in the past week I have not spoken to a single one who was not thrilled with both the gunboat incident and Bakhtiar's call to rally for the cause," a former Iranian diplomat told IPS. "And those people told me that every Iranian they knew felt exactly the same way."

The support expressed for Azadegan by another veteran exile politician in Ali Amini also demonstrated the psychological boost "Operation Shahriar," as it was called in memory of the late Shahriar Shafik, the Shah's nephew and much respected captain in the former navy who was assassinated in Paris two years ago, gave to the exiles.

And it was felt by many independent observers that the establishment of a significant centrist and rightist nationalist bloc at the same time as former president Bani-Sadr and Mojahedin-e-Khalq leader Massoud Rajavi had set up their own leftist

nationalist front was a coincidence that would serve to clear many issues among the exiles, who have been constantly confused over their stands in the past year. The two groups, left and right, could at least square up to each other on equal terms having both "proved" themselves to the same extent," the observers said.

Surprisingly, there are even moderate observers who believe that as a result of these recent events there is an actual possibility that Bani-Sadr and Rajavi may yet come together with the centre and right-wing opposition groups to fight the Tehran regime. This is in spite of the fact that the two sides continue to reject each other in public.

Bani-Sadr has devoted much time in recent interviews to warning of the threat to the original revolution, which he still supports, from the monarchist opposition. Azadegan has expressed its rejection of any cooperation with Bani-Sadr, "whose hands are coloured by the blood of thousands of innocent Iranians."

But events could conspire to prove much of this rhetoric misleading, more than one nationalist source in Paris contended. For one thing the Mojahedin's power base in Iran was being rapidly eroded with the systematic winking out of their centres and leaders and the putting to death of so many of the leadership and significant rank and file, he contended. There were obvious signs that the Mojahedin groups in Iran were now acting separately and ever more desperately in their battle with the fundamentalists.

The government's mercilessness and its threats to confiscate any property where the Mojahedin are found and to take the owners of the houses to the revolutionary courts where they may face the death penalty, are seen as steadily breaking the back of the Mojahedin resistance. Ayatollah Khalkhali himself has promised that executions will soon be reduced "because the Mojahedin face their end."

Because of this, some of the independent observers feel, the Bani-Sadr-Rajavi camp may see joining up with the rest of the opposition as a means of saving their own supporters. One monarchist source told IPS, "They may yet have to seek shelter under our banner for their own survival."

CSO: 4600/170

EX-TEACHERS' CHIEF DENOUNCES EXECUTION OF CHILDREN

London IRAN PRESS SERVICE in English No 35, 27 Aug 81 p 9

[Text] The former head of the Iran Teachers' Association and a longtime opponent of the Shah's regime Mohammad Derakhshash has appealed to university professors, teachers, and all cultural and intellectual figures to express their concern over the slaughter of school children and other young people in Iran.

He pointed out that a nine-year-old girl was among those executed along with many children of high school age, and expressed his surprise that the world seemed so indifferent to the butchery. "Yet the hi-jacking of an aircraft gets so much publicity," Derakhshash commented.

"I want to call the world's attention to these executions," Derakhshash said in a statement published in the Paris exile weekly IRAN-VA-JAHAN, and which he is circulating to teachers and other organisations round the globe.

Derakhshash points out that he was jailed on many occasions under previous governments in Iran while standing up for the rights of teachers. He was also exiled on three occasions. In between these punishments he was a Minister of Education for a brief period, and in more recent years he represented Iran at many international education congresses. His association, whose membership takes in 600,000 people in the profession, is the only one in Iran recognised by the world conference of such bodies.

Derakhshash also protested over the closure of universities in Iran and the purging of so many teachers from their jobs on any flimsy and false grounds.

Since the fall of Hitler the world had not seen such a fascist regime as that now in power in Iran, he said. It was a curse upon humanity, and he was amazed that such a gang of terrorists was allowed to take its place at organisations like the United Nations.

CSO: 4600/170

RECENT ASSASSINATIONS, 'WIDESPREAD SLAUGHTER' DISCUSSED

London IRAN PRESS SERVICE in English 20 Aug 81 pp 5, 6

/Text/ Inside Iran there were more and more signs over the past week that regime figures were becoming obsessed by the murders and lack of security in Iran.

As rows and rows of young people were mown down by the revolutionary guards' guns all over the country, bringing the estimated toll of executions since Bani-Sadr left Iran to well over 500 and the figure climbing daily by scores, so the Majlis members ranted on and on about the assassinations of their colleagues and other clerics.

"Islam is in danger," Khomeyni again cried out to delegations he received, roaming on and on about Islamic duties and the need for people to "spy to save Islam."

And not only in the armed forces, but in the police and gendarmerie dozens of new officials were appointed to responsible posts.

Karaj, near Tehran, and eight areas in the capital got new police bosses in a bid to higher security. But police chief Colonel Vahid explained to reporters that with only 2,520 people on his staff trained as bodyguards, it was impossible to protect all the prominent personalities of the regime. Most of these, particularly the Majlis deputies, were protected by revolutionary corpsmen, he said.

"We are not equipped for this work and we are kept very active dealing with bank robbery and theft," he said.

Abroad, too, events were unnerving for the regime. It was announced darkly over Tehran radio that the leaders of the attacks on its diplomatic establishments in Washington, Berlin and other cities "have all been identified;" it accused the United States, France and Morocco of anti-Islamic acts. Khomeyni, according to the radio, said, "Everybody is against our country."

It was quite clear nobody knew how to explain away the hijacking of one of the Islamic republic's gunboats and the defection of air force personnel. Nor could the regime find any response, other than to blame the United States and other imperialists for the attacks on embassies and other Iranian institutions abroad.

Though it had tried hard to keep the news off Tehran radio it was obvious to the government that the news of the attacks on the republic's institutions abroad was reaching all sections of the public by other means, so it must produce some explanation.

The Tehran daily Kayhan announced that army commander General Falahi and a group of other senior military men had visited Khoy, in Azarbaijan, to "investigate the military, political and social problems and other difficulties there." Khoy is a strategic point for both west Azarbaijan, where there have recently been reports of activity by exiled former officers, and also for Kurdistan.

The government's anxiety about the continued unrest in the latter region was demonstrated by reports in the Tehran press that the Agricultural Bank was making a huge sum available to the Kermanshah region for farming development. Dairies, chicken farms, fruit orchards, irrigation projects and purchase of machinery, along with development of carpet weaving and new housing in villages, are envisaged. Not only were sceptics wondering where the money would come from, but they speculated on how, with the government often having little but nominal control in the area, officials would go about implementing the projects.

What has mystified many observers is the incredible meekness with which the general mass of the Iranian public has taken the widespread slaughter of their younger relatives and friends up and down Iran over the last few weeks. "The idea of a whole nation terrorised to a degree where it can stand by and watch its friends and neighbours, even members of its own family, dragged away and butchered, is startling in the 20th century," one said. "The cowardice of so many of our generals in running away and abandoning the Shah is equalled by that of those who run the armed forces today. If they demanded a stop be put to the slaughter the public would surely then feel safe to express their horror in turn over what is happening."

Some Iranian observers said it was the silence of foreign governments and the international organisations that contributed largely to the paralysis of those who could spark off some salutary response to the terror in the country.

"If the Iranians in exile, living in a rational world with access to newspaper and television comment on a reasonably well-informed and intelligent basis, are firmly convinced that their fate was the result of Western governments' plots, then how can you expect those inside Iran to believe that the West is concerned with anything but its own interests in dealing with Iran?" one asked. "While the West remains silent on the slaughter of innocent people and on contraventions of humane rules it has introduced in its own societies, then what hope do Iranians inside the country have that anyone supports them against this terror?"

CSO: 4600/162

SPOKESMAN SAYS AZADEGAN TRYING TO UNITE OPPOSITION GROUPS

London IRAN PRESS SERVICE in English 20 Aug 81 pp 1, 2

/Text/ "Our main aim is to save Iran and this task cannot be achieved except through a united front," said a spokesman for the nationalist-monarchist opposition group Azadegan in Paris, explaining why the group seized a French-built gunboat owned by the Iranian navy.

The boarding and capture of the gunboat Tabarzin by a group of 24 men and a lone woman off Cadiz last week was the first of what are planned as a series of moves to arouse world public opinion about the fate of Iran and to polarise the opposition forces to precipitate the downfall of the Khomeyni regime, he said.

As French officials and hijackers negotiated, the latter handing over the gunboat in Marseilles harbour to the French and in return receiving a guarantee of political asylum, first signs that the opposition group had achieved the aims of the operation were coming in.

Television screens and radio sets around the world put out reporters' latest looks at the opposition exile groups and demonstrated a growing realisation that the regime in Iran really wasn't as popular or entrenched as many of its apologists have been trying to make out. Opposition leaders got new airings; and even former president Abolhassan Bani-Sadr seemed to be let off the hook and allowed to say what he pleased without any French interference.

And a dramatic appeal by another prominent exile political leader in Shapour Bakhtiar to all officers of the armed forces and police and gendarmerie to report to the office of Azadegan's leader Bahrn Aryana and place themselves under his command, showed the opposition groups were drawing closer. Until now Bakhtiar has avoided conceding authority to other organisations or their leaders.

A similar call to support Azadegan was made by veteran statesman Ali Amini, also based in Paris. He said he "totally and wholeheartedly" supported Aryana and his Azadegan organisation in their action. "This is every Iranian's success, not just that of General Aryana and Admiral Habibollahi (former head of the Imperial Iranian Navy) who commanded the operation," he said.

Bakhtiar, in his statement, also called on the Iranian tribes to join in the freeing of Iran from the "bloodthirsty mullah's regime" and appealed to them to contact Aryana's freedom forces representatives inside Iran to help them in their campaign to liberate the country. Amini joined him in calling on all Iranians to strengthen their fight for freedom.

The departure of Azadegan chief General Aryana from Paris to a headquarters near the Turkish-Irano border a few weeks ago can now be seen as part of a planned move to try to bring the main military opposition groups together under a non-controversial leader. The seizure of the gunboat certainly appealed to the imagination of not only former military men in exile, but other longtime Iranian activities in the West.

Aryana, a former armed forces chief of the late Shah, is a colourful character who has sometimes been mildly criticised for his individuality, unusual in a top military man; but he has always been a fervent nationalist and patriot who, unlike two other prominent military men whose names have been bandied about as opposition military chiefs in the past, General Gholamali Oveissi and Fereidun Jam, has not been accused of putting his own personal vanity before the interests of his country, according to Iran watchers.

Oveissi is reported to have told the Shah he would not serve under General Gharabaghi, the American nominee for commander-in-chief, in the final weeks of the Shah's regime, and so left the country "for a rest" instead; while Jam, in whom many people had great hopes to help support the last-ditch efforts of Bakhtiar to hold the nation together, is accused of preferring the comforts of life in London to the inconvenience of involvement in a complex political situation when he refused to join Bakhtiar's government in 1978. Gharabaghi himself did stay in Iran to try to keep the armed forces together but found the thankless task was impossible to carry out and finally fled into exile himself with nothing but opprobrium from former friends and new enemies alike.

Aryana and Azadegan would now seem to be established as the catalyst which could not only unite the real activists among the centrist and rightist exile opposition, but also prove the link between the exiles and the obviously discontented military men inside the country. Bani-Sadr himself on Tuesday launched a new appeal to the military inside Iran to act against the Khomeyni regime in what amounted to an open plea for armed resistance. If Bani-Sadr's estimate that only 15-20 percent of Iranians retain their loyalty to Khomeyni is correct, then there is plenty of encouragement for positive military action before long.

Evidence that Azadegan is trying to attract the participation of centrist and even leftist groups in a united front was evident from a statement by a spokesman for the group who stressed that even though it was essentially monarchist in outlook it believed that any future regime in Iran must be the choice of "every Iranian without exception." He also insisted that all opposition groups, from extreme left to extreme right, must join in the move to get rid of Khomeyni and then must be prepared to give each other the right to put their own policies to the Iranian nation. "Nobody, including us, has a mandate to choose or speak for the Iranian nation," he stressed.

And while religion must be respected along with the law, every Iranian, regardless of faith or ethnic origin, as long as they held an Iranian identity card, must be allowed to take the highest job in the land in the future, with absolute equal rights in everything," he said.

All this, observers said, could be seen as an effort by Aryana and Azadegan to leave the door open for as many ideological or diverse groups to link up in a united front and thus polarise efforts against the Khomeyni regime.

While leftist groups like the Mojahedin and Bani-Sadr's backers would obviously be suspicious of a movement including monarchists and other rightists who have not failed to disguise their animosity to Bani-Sadr and his new colleagues' marxist ideas, Aryana and his supporters can take comfort from Bani-Sadr's repeated warnings since he arrived in Paris that pro-American and pro-monarchist tendencies were slated to succeed in Iran if Khomeyni's regime is not removed quickly.

It is obvious from this, observers say, that Bani-Sadr is aware that more and more desperate Iranians, unable to reconstruct their lives and yet unable to leave Iran, are looking to any source to provide some succour in their distress. "Indeed, Bani-Sadr told Le Monde precisely that in Paris this week in warning of the fate in store for Iran," one Iran watcher told IPS.

CSO: 4600/161

EFFECTS OF 'MAKTABI' SOCIAL CUSTOMS, MORES DESCRIBED

Vienna PROFIL in German 10 Aug 81 pp 30-33

[Article by Renate Possarnig: "Maktabi--Everybody Suffers in Iran, Unless He Is a Hangman, Puppet, or Mindless Stooge of the Ayatollahs. The Women Suffer the Most"]

[Text] Some chest hair pushes through the open shirt collar. A wrinkled suit covers the bony frame. On the ascetic head, the hair is short, the stubble of beard long: the New Iranian is called Maktabi (rough translation: a 100-percent Islamic fundamentalist).

Almost every revolution attempts to create its own human image, be it only in general appearance. In Iran, the Shiite revolutionary ideal is best represented by the new president, Mohammed Ali Raja'i. But Mr Maktabi is to be seen also inside the ministries, offices and on the streets.

These unshaven gentlemen with their wrinkled suits have a message: neglect of appearance in favor of inner concentration on the faith and in favor of accomplishing the religious mission.

From dawn to dusk, Mr Maktabi worries whether inanimate objects or people whom he touches are clean or unclean. He will, as a matter of principle, open a door only with his elbow, since it might have previously been opened by a woman or a non-Maktabi man.

On the increasingly rare occasions when Mr Maktabi is forced to converse with a woman, he does not look her in the face. Should he encounter a woman dressed in Western garb on the street--that too is becoming increasingly rare--he will give her a wide berth. He will perhaps attempt to find out her name and address. But only for the purpose of denouncing her to the revolutionary guards, who solve style problems with the whip. Maktabi's own wife is of course required to wrap herself in a chador and wear a head scarf--the latter only to hide her hairline. If at all possible, she should never leave the house. And the Ayatollah Khomeyni has exactly prescribed the manner in which she is to fulfill her conjugal obligations: with the least possible enjoyment.

It goes without saying that Mr Maktabi observes Koranic law according to the interpretation of the head ayatollah. He prays five times daily. A particularly

zealous Maktabian, like President Raja'i, gets up in the middle of the night to pray some more. Mr Maktabi is horrified if he falls asleep during a Ramadan prayer lasting several hours and if a fly enters his half-open mouth and he swallows it, suddenly awakening from an unclean dream: he has eaten meat in daylight hours during the month of fasting! Mr Maktabi hastily consults the writings of Ayatollah Khomeyni and finds to his great relief that the wise man has foreseen this eventuality and has provided a generous means of atonement: repeated ritual ablutions.

Should Mr Maktabi, having completed these ablutions, return to his prayers and 2 hours later experience a call of nature, he must be certain to assume a position at right angles to the direction toward Mecca. Khomeyni has issued most detailed instructions concerning human excretions such as sweat, sperm, menstrual blood and saliva.

However, after 2 years of Iranian religious dictatorship there are still subjects which have not been designated Maktabi or non-Maktabi because the great imam has made no pronouncement about them; either he is not aware of them, or they do not interest him, or he is not clear about them in his own mind.

In the meantime it has become well known that neckties are not Maktabi. That is why there are no more necktie manufacturers or importers in Iran. But how about a pastry, a gold cigarette lighter or ping pong? Cigarettes appear to be Maktabi as long as they do not come from America--blue jeans and pop music decidedly are not. Is a bathtub Maktabi? Are sports Maktabi? The imam does not say. Thus it happens that parliament frequently argues about such questions for hours.

Apart from blind religious devotion Mr Maktabi is not expected to possess any inherent values such as truthfulness, love of liberty, loyalty and helpfulness. If Mr Maktabi moonlights in an occupation other than religious devotion, there is no requirement for special knowledge or expertise.

When for instance former gradeschool teacher and new president Mohammed Ali Raja'i became prime minister, his decisive attributes were his fanatical religious faith and his appearance of a Maktabian prototype. He did not have a clue about politics, but a great show was made of the fact that he had been in jail during the shah's regime. That however turned out to have been a silly chance occurrence: some time toward the end of the shah's regime Raja'i had been one of a group distributing handbills. The whole group was arrested and spent 1 night in jail. As usually happened in such harmless cases, the local SAVAK representative had the offenders brought to his office. "No big deal," he is said to have told them. "Sign this paper which states that you are all loyal to the shah anyway." According to several witnesses, Raja'i was the first to sign.

Since in the aftermath of all revolutions people do not generally undergo any changes, new types are created against a background of lies and a double standard of morality. Many are ostensibly Maktabi to further their careers. Once they have reached the top they restrict their Maktabiness to office hours. It was well known that the murdered Ayatollah Beheshti was anything but Maktabi during

the years he conducted Friday services for Hamburg's Shiite community. Even during the last year of his gradual assumption of power he was Maktabi only for public consumption. Many things can be said about the Ayatollah Beheshti, except that he was stupid. Thus he pushed Raja'i, who was practically bursting with religious devotion, into the foreground and, with a secret little smile, retired to a hidden apartment. No one knows what he was up to there.

Iran is not yet another Albania. Nor is Iran a completely closed and controlled society like North Korea. The shah's long reign left a deep imprint upon Iranian society. Not only that: some flotsam from the shah's times is still around. Not all Western books and not all locally produced pornographic movies have been burned. Not all whiskey bottles have been smashed. Not all cassettes of Western music have been destroyed.

Revolutions which prohibit a number of things are always confronted by a law of nature: everything that is prohibited continues to be available--it just costs more. Thus, there is still alcohol, prostitution and Western pop music.

Alcohol, as was known from the ayatollah's writings from the very beginning, is wicked--a Satan's brew. In his works one can read also that hashish and opium are not necessarily unclean. Thus Tehran's youth embraced this drug and smoked hashish during one whole summer. But then the regime's head executioner, Ayatollah Khalkali, appeared on the scene. He appears to hate the whole world because, being the class dunce in the Koran school of Qum, he was always made to clean the blackboard. Khalkali suddenly started executing hashish and opium dealers. He accepted \$1 million from a Mafia agent who rushed to the scene to insure future opium deliveries from Iran; but to calm his conscience he had him executed anyway.

During the early months of the Islamic Republic it was occasionally possible to purchase a bottle of whiskey from militiamen and revolutionary guards who had "confiscated them for the state" in the villas of the rich. But one had to be very careful that it would not again be confiscated at the next, previously informed, roadblock. Then the highest ayatollah apparently got wind of the fact that in some places in his country fruit juices were still unpopular. Thereupon the ayatollahs decided to put some more urgency behind their prohibition. Alcohol stocks of the big Tehran luxury hotels were destroyed in front of foreign TV reporters and photographers; no doubt a few bottles filled with water were among those smashed.

While today only fruit juices are dispensed today in hotel bars and coffeehouses, where elderly gentlemen nostalgically listen to the ice cubes' clinking in the orange juice, alcohol is still available in Iran. The middle class fills bathtubs with grapes during the summer as in the past and lets them ferment. In the winter time they use raisins, resulting in a revolting, but still alcoholic beverage. Invitations to drink this raisin wine have all the air of a conspiracy against the state.

Today's prostitutes wear the chador, ply their trade in Mellat Park and are very expensive. One year ago near that park, peddlers offered, aside from cassettes

with recorded Khomeyni sermons, the last hits of the shah era, sung by public idols Gougoush and Shoreh.

No more. Today a peddler will pass a potential customer in a bazaar and whisper to him: "If you are interested in buying a Gougoush cassette, follow me without attracting attention. If you want to buy a Frank Sinatra, attract even less attention."

Tens of thousands of people who prior to the revolution had been selling such items as hit cassettes, cosmetics, jeans, dime novels and other items which today are considered non-Maktabi, have simply lost their livelihood.

Masons are faring relatively well; one of their jobs was to tumble shah statues wherever delirious mobs had failed to do so. In addition, they were needed to obliterate Reza Pahlevi's profile, coat of arms or other traces from all buildings. A few new jobs were created in the ministries too: the imperial insignia had to be cut out of official stationery. New banknotes were put into circulation--the shah's portrait has been replaced on the new bills by pictures of mosques. Anyone working on the eradication of the shah and all the traces of the former monarch has a relatively good job, since in his megalomania Reza Pahlevi tried to have himself immortalized on every street corner. Nor can poster artists or the makers of banners complain about lack of work, even though lately there has been less demand for Khomeyni portraits. But they have come up with a marketable idea: they pasted up a face, half of which consisted of a portrait of the shah, the other half of a likeness of toppled President Bani Sadr, and business is booming.

Professional demonstrators too can look back on 2 good years and may look forward to a secure future.

But none of this is any consolation to hundreds of thousands of people who have lost their livelihood through the dictates of the Maktabians. It is difficult to realize the kind of people who suddenly lost their jobs by virtue of the ayatollahs' series of prohibitions: the beach attendant and life guard on the Caspian Sea, the tennis pro and the hotel owner himself. The bathing beaches, separated by sex, where the women dip their chadors in the water behind a solid wooden fence and where the men enter the water some distance away, wearing voluminous Khomeyni garments, have hardly any visitors.

It is not known whether suntans and suntan oils are Maktabi.

While other revolutions have promoted sports and especially communist dictatorships have managed to dominate them through special training programs, the ayatollahs are apparently of the opinion that prostration and bowing in prayer are sport enough.

What good would sports do in this great epoch anyway? Mr Maktabi is so busy with his religious duties that he has no time to waste on them.

In former times people liked to play soccer in Iran. Now the mullahs have started to interfere in the soccer clubs also. Serious discussions were conducted

to determine whether kicking the ball is compatible with the Koran. A still more vehement discussion took place concerning tennis. It was obvious that the ayatollahs would forbid mixed doubles. Next there came the prohibition of tennis attire, which appeared sexually provocative to the guardians of the morals. That just about insured the demise of that particular sport. It is a rare occurrence to see a woman playing tennis wearing a chador, which is a considerable impediment to one's forehand.

Body building, otherwise the darling of rightwing as well as leftist dictatorships, is at best a stepchild in Iran. So is personal hygiene. The old law, freshly resurrected by Khomeyni, according to which no man must touch the hair of a strange woman, brought unemployment overnight to thousands of ladies' hairdressers. They protested mildly under the Bazargan regime. Later, they broke their combs and fell silent.

Should you try to engage Mr Maktabi in conversation on cultural matters, he will have none of it: religion and prayer are all the culture he needs. The mosque is equally a house of prayer and culture. In this aspect, too, the Iranian revolution is different from others: the Russian revolution sought to establish its own proletarian culture, Mao the Beijing opera. Cuba has cultural accomplishments to its credit, and Nicaragua's Sandinistas are promoting a colorful folk singing and dancing culture. But Khomeyni decrees that no "sensual music" must be performed anywhere in the country; it is not clear just what is meant by "sensual." Asked whether this includes Bach, Vivaldi and Mozart, the chief ayatollah said: "I have never heard of them."

If in Iran the state, culture and everything else are equated with religion, there is little else left. Possibly only the adoring hymns dedicated to the imam, set to Western melodies: "God is our only party. Ruhollah is our only leader. We are your soldiers. We obey your commands..." So much for poetry.

The last poem to come out of the land of the great poets last year started as follows: "My girl wears a chador over her jeans..."

Now there is no more poetry. The first entertainment movie since the ayatollahs came to power has yet to appear. One year ago Costa Gavras' anti-American film "State of Siege" was such a box office hit that scalpers bought up all the tickets and easily sold them for three times their regular price. There are a few movie theaters left. They show low-grade movies from the shah era and censored films from various countries other than the United States. There are TV broadcasts, since TV is an important propaganda medium. Even the ayatollahs recognize that. But the programs are even more soporific than those on Austrian television. It is hardly conceivable how a producer can put a program together. In any case, religion is broadcast in large doses: archive shots of ayatollahs and masses of people acclaiming them. Also some training films on how to use firearms. Hardly anything on international politics.

Iran is suffering under the ayatollahs' dictatorship. Everyone is suffering unless he is an opportunist, executioner, puppet or mindless stooge of the ayatollahs. The women suffer most of all. One day a courageous young man

appeared with his sister at the Hotel Intercontinental, where most foreign journalists live. He showed the foreigners welts on the body of the young woman, resulting from whiplashes administered by revolutionary guards. Their crime was to sit together, dance and talk. The regime's bullies considered this a wild orgy and took evident pleasure in whipping the women present.

Not only have the women all at once lost the rights they had laboriously attained under the shah's regime. They have in fact been deprived of their status as human beings. When banks suddenly demanded that unmarried female employees submit physicians' certificates as to their virginity, most of them quit their jobs. Mr Maktabi took their place. The fact that he knew nothing about banking, and in many cases did not even know how to read and write, mattered hardly at all. Mr Maktabi was unshaven, wore a wrinkled suit and a shirt open at the collar.

9273

CSO: 4620/11

RAJAVI GIVES VIEWS ON SITUATION UNDER CLERGY RULE

Paris AN NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 pp 4-6

[Interview with Massoud Rajavi, leader of Mujahideen, in France, date not given]

[Text]

As leader of the *Moudjahidin e Khalq* (Holy Fighters of the People), Massoud Rajavi is Ayatollah Khomeini's Public Enemy No 1. The Moudjahidin are blamed for bombings and assassinations in Iran and scores of them have been arrested and executed.

Mr Rajavi escaped recently from Iran to France together with deposed President Abolhassan Bani-Sadr. At first, they were cut off from virtually all contacts with the outside world by the French authorities, who feared reprisals against the French community in Iran for France's refusal to extradite the two exiled leaders. Later, this quarantine was relaxed after almost all of the French left Iran. Even so, as Mr Rajavi told *An-Nahar Arab Report & MEMO's* Randa Takieddine, he and Mr Bani-Sadr are still formally forbidden to speak out.

The two Iranian leaders are living in a villa in Auvers sur Oise, a tiny village surrounded by greenery about an hour's drive from Paris. Our correspondent was subjected to stringent security checks, first by French police and then by Iranian bodyguards. She found Mr Bani-Sadr relaxing in the garden, playing ping-pong. The interview follows:

Q: It is said that the best-organised opposition group in Iran is the Moudjahidin. How do you see your political action developing to get rid of the present regime? Do you believe the regime will be overthrown militarily?

A: Khomeini's regime is collapsing. It grows weaker day by day. After June 10 (when an opposition rally was attacked by the Ayatollah's supporters), he has been isolated politically from all democratic, progressive,

nationalist and real Muslim forces inside Iran. Everybody knows that Khomeini is a deceiver and an impostor.

There is more and more resistance because everybody knows that, after the Shah, Khomeini has not given our people anything except more graves and more martyrs. We have more than 5 million unemployed and more than 2 million refugees from the war. Kurdistan is being bombed. Industries do not work at more than 30 per cent of capacity. Inflation is more than 100 per cent.

On the political scene, there have been more than 600 executions in about 40 days and you know from the history of countries like ours' that it is very rare that executions of young girls, pregnant women, soldiers, officers and merchants strengthen the regime. The only way that Khomeini has found to enforce his power is through killing, torture and other harsh methods.

Q: You say that the Khomeini regime is growing weaker because of his harsh methods. But the Shah also adopted harsh and unpopular methods and he managed to survive a long time. What makes you so sure that Khomeini's regime will collapse when he and the Islamic Republican Party control all of the institutions of the state?

A: The example of the Shah is not relevant. This is because the Shah was supported by the bourgeoisie. He had a strong army and he had Savak (the Shah's secret police). He had stability and international support. Although he was very cruel, he could solve some problems. Go and see now the state of our hospitals, which have deteriorated completely. Our factories as well.

I told you about inflation. Now, everything you buy has to be paid for with state coupons. All this proves that Khomeini's regime is relying basically on the general mentality of the people and not on physical factors that could improve the condition of the country. He is definitely falling down.

Of course, I cannot set the exact date. But I can assure you that it is not a matter of years.

Q: Does Khomeini have strength inside the army?

A: I don't think Khomeini is very strong inside the army. You know that I and President Bani-Sadr were flown out of Iran by two Moudjahidin army pilots. There is a big majority inside the army which opposes Khomeini because the essence of the army and its structure are not adapted to such reactionary people. We have a big anti-reactionary circle inside the army and inside that circle we have a rather smaller one which is progressive because of the revolution. But if Khomeini was strong inside the army, be sure that he would have used the army against the opposition like the Shah did. In the last part of his reign, the Shah was using the army against the opposition but Khomeini cannot use it in the same way.

Q: After President Bani-Sadr and you left Iran, there were some changes in the army command. Won't this affect the structure of the army?

A: I have the feeling that these changes will be to our benefit because they contribute to the increase in pressure within the army on those who understand the real face of Khomeini.

Q: How do you envisage getting rid of the regime. You say the Khomeini regime is weak, but he is still in power. So how will you get rid of him?

A: I do not think he is in control of things. For example, there were 120 acts of resistance in Tehran alone on the day of the elections. And you know that they are saying that they are arresting huge numbers of Moudjahidin every day.

As long as the number of executions increases, the opposition will increase the number of its operations. Perhaps you think that I am exaggerating. But if the situation was good, the regime would accept foreign journalists.

My second point is that we do not believe in a coup d'état and nobody, even among our opponents, thinks in terms of a coup the way the Royalists do. Building and attaining a real Islamic democratic state would come from the general resistance of the masses. It is growing every day towards this end.

Q: Why do you say you do not believe in a coup?

A: It is because of the special structure of the Iranian army and what happened during the revolution. All of the Shah's generals are finished, with the exception of one or two. Nowadays, a big majority of army officers are against reactionary regimes and specifically against Khomeini's reactionary Islamic Iran. If the Royalists want a coup like the one in Chile (in 1973), they should spend more than two years preparing the army for it. This is because a great part of the army is on our side. All the nation, including the army, does not want to go back to the past. They want a better future.

Q: The Moudjahidin have been described on many occasions as Marxist-Islamic, as a leftist Islamic group and as extremist revolutionaries. Could you clarify your position and what is the philosophy of your movement?

A: Khomeini, like the Shah, started right from the first calling the Moudjahidin Marxists, terrorists, anarchists, spies, the works. The official media has three slogans: first, *Allah-o-Akbar* (God is greatest), second, *Khomeini al-Kaed* (Khomeini is the leader) and third, death to the *mounafiqin* (hypocrites). This is how Khomeini speaks of us.

This is how I would describe our movement: we are Muslims, but we believe in a real Islam and not in the one that Khomeini is applying. That is not Islam and we are against what he does in the name of Islam. Our Islam is democratic, civilised, humane and nationalist.

We are an Islamic democratic group and the name of our regime would be the democratic Islamic nationalist republic.

Q: How do you explain Khomeini's impact on the people of Iran?

A: Khomeini is the best Crown Prince of the Shah. I believe he is a heritage of the Shah's regime. This is because the only institution that was not destroyed during the 57 years of dictatorship in Iran was the clergy. At the beginning of the revolution there was an institutional vacuum which was filled by the clergy, headed by Khomeini.

Q: Some of your supporters have expressed disappointment that you have left Iran, claiming that your struggle will be less effective far from your country. You are both the political and military guide of the Moudjahidin. What is your answer to this?

A: You may have noticed that resistance is increasing every day. Secondly, right from the first day when we set up our organisation, we never believed in reliance on one individual. Now that I am here, I act as coordinator of the activities of our brothers in Iran. We all have different tasks.

Q: Do you have contacts with foreign governments to get help for your struggle?

A: The first thing that matters to us is public opinion in all nations. I am sure that the non-aligned countries will change their policy to be against Khomeini because until now they have not been well informed of what is happening in our country. Inside the non-aligned movement, the most important ones for us are the Muslim Arab countries. I hope that as soon as possible we will see some change from their side.

Still formally banned from talking

Q: The Palestinian resistance had good relations with you in the past. Do they still have good relations with Khomeini? Secondly, what has happened after the recent crash of an Argentinian aircraft loaded with spare parts from Israel for Iran?

A: I have documents proving that the regime is still cooperating with Israel. As for the Palestinians, they have let us know that they are with us strategically and that they do not have confidence in Khomeini.

Q: Do you mean that PLO Chairman Yasser Arafat told you this?

A: I cannot name names, but I am sure of what I told you.

Q: Have you met any Palestinians since you left Iran?

A: Don't forget that we have only been able to see people since yesterday. The French were very worried about the French community in Iran. You are one of the first journalists I have seen.

Q: Have you managed to convince the French that you should be able to start political activities?

A: Formally, we are still banned from talking. Of course, the situation is different now (following the departure of almost all French citizens from Iran). I am glad that the French Socialist Party condemned the torture and the methods of the present regime in Iran.

Q: Do you intend to return soon to Iran?

A: I wish to, of course, but I have some tasks to do before going back.

Q: The Tudeh (Communist) Party is allied to Khomeini and the IRP. Does this mean that the USSR is helping to support the IRP?

A: This question should be addressed to the USSR. Tudeh, this dirty party, is participating in all of the crimes of the present regime. They are acting as spies for

the *Pasdarans* (Revolutionary Guards) against democratic and progressive groups. I don't know if the Soviets know this.

Q: Can you confirm that the bomb in the IRP headquarters in Tehran which killed Ayatollah Beheshti was planted by the Moudjahidin?

A: I am not informed about this. What I can tell you is that the IRP is responsible for all criminal acts in the country, executions and misdeeds of the *Hezbollahis* (Party of God). People want relief from the IRP. The resistance would do anything.

Shatt el-Arab issue can be negotiated

Q: Do you think that the regime in Iran is mishandling the Irano-Iraqi war?

A: I have heard that a memorandum was presented by the Iraqis to UN Secretary General Kurt Waldheim which quoted me as saying that Khomeini started the war. They were quoting me incompletely.

My complete statement was: we condemn Iraqi aggression against the rights of our people. We have taken part in this war and we lost many martyrs and our forces were stabbed in the back by Khomeini.

I said that what led up to the war was done by Khomeini and that if we had been in power instead of him there would not have been a war. But this does not mean that the Iraqis were not aggressors.

In April 1980 we were already expecting a war because Khomeini has reactionary ideas about exporting the revolution. He thinks revolution can be exported like machinery or other goods. This issue has been the source of one of the major quarrels between Khomeini and the Moudjahidin.

The war, like the problem of the American hostages, has been used by Khomeini as a cover for dismissing all of the socio-economic problems his regime is facing. We can prove that Khomeini is responsible for what led up to the war.

About five months after the war began, I and Hani Hassan, the PLO representative in Tehran, issued a joint declaration stating that the war was harmful to both countries and we suggested that Mr Arafat should act as a mediator. The next day, the IRP attacked me, saying I should not interfere. I can tell that Khomeini is responsible for more than 50,000 Iranian martyrs, for more than 2 million refugees and more than \$1 billion of damage.

Q: What about the issue of the Shatt al-Arab waterway?

A: This can be negotiated. I do not want to go into detail, but this problem can be solved.

BANI-SADR PROCLAIMS 'NATIONAL COUNCIL OF RESISTANCE'

London 8 DAYS in English 15 Aug 81 pp 10, 13-15

[Interview with Abolhassan Bani-Sadr by Tim McGirk]

[Text] The irony of seeing himself chased back to France once again as a political exile has not escaped Abol Hassan Bani Sadr. It was as an economics student at the Sorbonne that Bani Sadr hid Ayatollah Khomeini in his small Paris flat when the clergyman first arrived in Paris to launch the Iranian Revolution against the Shah.

Now Bani Sadr himself, who escaped from Iran after two months in hiding, lives in danger of Ayatollah Khomeini's assassins. While he was underground, said the Iranian ex-president who was impeached by the fundamentalist-dominated government, 'Khomeini sent out orders that I was to be found and immediately executed.'

Both the former president and the French authorities are worried that the Ayatollah's wrath may not stop at borders. Three days after Bani Sadr, accompanied by the Mujaheddin guerrilla leader, Massoud Rajavi, flew out of Iran aboard a hijacked military aircraft, he was moved from a cramped flat in the Paris suburb of Cachan to a comfortable — and heavily guarded — house in the small village of Auvers-sur-Oise, 60km north of Paris. An advantage of Bani Sadr's new villa, which has a large garden and swimming pool, is its isolation. The French government, worried that the Iranians might retaliate for Bani Sadr's entry by taking French people hostage in Tehran, have blocked the media's access to the villa.

Before the French government cordoned off Bani Sadr's residence from the press, the former Iranian president spoke to 8 Days. 'Iran is already torn between two armed forces — the opposition and the (paramilitary) Revolutionary Guards and the Komitehs (vigilante justice committees) loyal to Khomeini. What I'm trying to do is

prevent the violence from escalating. This can only succeed if Khomeini allows political freedom. And he must do this quickly. If Khomeini were to die tomorrow, Iran would fragment. It would be the next Lebanon,' he said.

But Bani Sadr is in an extremely sensitive position. Although he would prefer to have Khomeini step aside for a freely-elected government, Bani Sadr, even in exile, is in the hands of the Mujaheddin organisation, which shows no signs of stopping its open guerrilla warfare against the ayatollah.

Bani Sadr faces the prickly task of restraining Rajavi, who shares the villa with him. The Mujaheddin leader has even declared: 'Mr Khomeini is worse than Hitler.'

With Khomeini unlikely to withdraw his support from the new fundamentalist president, Mohammed Ali Rajai, and as long as the Mujaheddin pursue their campaign of assassinations and bombings, Bani Sadr has no chance of averting an armed uprising in Iran, be it before or after Khomeini's death.

In the event of open civil war, the armed forces will side against the mullahs, Bani Sadr maintains. However, the ex-president is reported to have sent a message to the Iranian military urging them not to rebel until Iraqi troops are pushed from Iran. Once the Gulf war ends, said Bani Sadr, 'we can count on at least 90 per cent support inside the Iranian army and airforce.' Such a claim carries some weight, given the case of his escape from Tehran.

'It's nonsense that we were disguised as women,' said Bani Sadr. 'Rajavi and I walked on board the military aircraft wearing uniforms. I shaved off my moustache — that's all.' He now shows the faint stubble of a new moustache. Collapsed in an armchair throughout the interview, Bani Sadr looked haggard. Occasionally he stole nervous looks over his shoulder out into the garden where French gendarmes and his own Iranian bodyguards patrolled the hedgerows.

At the sound of a passing riverboat, an Iranian officer in a flight suit glances towards the nearby Oise river from the garden terrace. He is Colonel Moezi, who stands out in the history of the Iranian revolution as a man of startlingly courageous convictions. The colonel, a Mujaheddin sympathiser, first made news by flying the Shah and his family out of Iran — and then returning the Boeing 707 to the mob gathered at the airport. 'The mullahs always held it against me that I flew that aeroplane,' declared Moezi. 'Nobody ever remembered that I got rid of the Shah, nobody ever thanked me for bringing back a \$45m Boeing to the people of Iran.' The colonel logged 1,200 flying hours in the Gulf war against Iraq before his next historic mission: the dangerous task of smuggling Bani Sadr and Rajavi aboard a military tanker aircraft and flying them to France.

Rajavi's aides said that the top-secret escape plans were arranged only 24 hours before the aircraft left the runway at Tehran's military base. The only military officers involved were Moezi and his two crewmen, also Mujaheddin sympathisers, they said. This has not stopped the fundamentalist government from ordering a purge of the armed forces. Bani Sadr said 27 airmen had been arrested after his escape.

The escape plan was to wait until late afternoon when the Revolutionary Guards at the base, who had been observing the Ramadan fast during the long daylight hours, were preparing for their evening meal. The plan worked without a hitch.

Like the other Mujaheddin operations, the sheltering of Bani Sadr, Iran's most wanted fugitive for the past two months, worked with military precision. Contrary to past remarks by Bani Sadr, Mujaheddin sources disclosed that the ex-president stayed at the guerrillas' Tehran hideout for only four weeks, not the full two months. Before that, Bani Sadr had been seen in southern Iran by an 8 DAYS special correspondent. At the time, it was believed that he then journeyed into North Kermanshahr province, where he was sheltered by Kurdish separatist rebels, though he has since denied this.

However, the Kurdish rebels fighting Tehran for regional autonomy were one of the first factions to join the 'National Council of Resistance,' formed in exile by Bani Sadr and organised by Rajavi, a crack administrator.

Bani Sadr has appealed to all Iranian political factions seeking 'independence, freedom and Islam' to join the council which, he says, has two aims. The first is to 'remove the forces of despotism that are operating in Iran'. Once the fundamentalist regime is toppled, said Bani Sadr, 'this coalition will then take the executive affairs of the country in hand.'

For Bani Sadr, planning the National Council of Resistance was a last resort. While hiding in Tehran, the fugitive leader made several attempts to contact Khomeini, urging him to halt the opposition crackdown. The Ayatollah rebuffed him. 'I sent him letters and cassettes. But one of the flaws in Khomeini's character — and the Americans quickly capitalised on this during the hostage crisis — is that if you tell him not to do something, he immediately

takes it as a sign of your weakness. Instead of ordering a halt to the violence, he intensified the purges, the executions.

'Khomeini and his collaborators must be made to accept that massacres, executions, torture and imprisonment cannot make people abandon their resistance to despotism. They have to accept this reality. You can't push people around by killings,' said Bani Sadr.

'If we don't succeed, then whether we like it or not, Iran's troubles can only be resolved by an escalation of this violence and counter-reaction to violence. At that point, it would be impossible to keep the army out of it.'

OUTSIDE Iran, few hard facts have emerged about the Mujaheddin guerrillas, other than the impressive hits they have scored lately against Ayatollah Khomeini's regime. Their leader, 37-year-old Massoud-Rajavi — branded by the fundamentalists as everything from an 'Islamic-marxist' to an 'American mercenary' — commands one of the shadowiest, and most powerful, factions to emerge from the Iranian revolution.

When the fundamentalist-dominated government impeached President Abol Hassan Bani Sadr and called for his arrest, the well-organised Mujaheddin slipped him into hiding, moving him first down to Khuzestan, then back to a secret location in Tehran itself. Next, the organisation, which counts 70,000 armed sympathisers, planned the ex-president's escape.

Bani Sadr was accompanied aboard the Boeing 707 military tanker by Rajavi, and one of his first acts in exile was to form a coalition with the Mujaheddin with the aim of overthrowing the fundamentalist regime.

Mujaheddin sources concede that the two opposition figures also slipped out of Tehran on 29 July because the Iranian capital had become too dangerous for Bani Sadr. 'We were concerned about the president's security,' said one Mujaheddin. 'It got so bad that Khomeini's secret police were tailing anyone in Tehran buying a French newspaper.' Bani Sadr studied economics at the Sorbonne in Paris for several years.

Strategically, both the Mujaheddin and Bani Sadr stand to gain from the alliance. As the first elected president in Iran's long and bloody history, Bani Sadr can both legitimise the clandestine Mujaheddin and broaden their popular base. In exchange, the president, who made the serious error of

never setting up his own political party inside Iran, can use the thousands of heavily-armed guerrilla cells, spread widely throughout the rural areas and cities, to engage the fundamentalists in armed struggle.

Although the Mujaheddin and their fundamentalist foes are both fervently Islamic, their break occurred early in the Iranian revolution — on 1 February, 1979, to be precise, the very day Ayatollah Khomeini made his victory flight from Paris back to Iran. Massoud Rajavi explained to *8 Days*: 'The Mujaheddin were still hiding underground the night Khomeini got back from Paris. So he sent his son, Ahmad, round to see me. The message he brought from Khomeini was this: that we should accept the Ayatollah's enemies as our own enemies, and that the Mujaheddin accept Khomeini's divine nature. We sent Ahmad away.' 'Later,' added Rajavi, 'I met Khomeini. He held out his hand for me to kiss, and I refused. We've been enemies ever since.'

Massoud Rajavi is sharing the same villa as the exiled president at Auvers-sur-Oise. Though he laughs often and easily, Rajavi's naturally high-pitched voice turns razor-sharp when discussing Khomeini. 'Khomeini must execute — ten, twenty people a day — to rule. In the Shah's time there were 4,000 political prisoners in jail. Today, forget about the other opposition groups, the Mujaheddin alone have 7,000 people behind bars. Over the last three weeks, 300 Mujaheddin sympathisers, including girls aged 10, have been killed by firing squads. We never wanted an armed struggle, but Khomeini did,' the Mujaheddin leader claims.

In a murderous spiral, the Mujaheddin guerrillas hit back after every execution with bombings and assassinations. Most of the Mujaheddin's weapons came from the Shah's armouries, which were looted during the revolution. Lately, their tactic has been to gun down, such senior fundamentalist politicians as Islamic Republican Party founder Doctor Hassan Ayat and make their getaway on motorcycles through Tehran.

Even within the clergy, the Mujaheddin have powerful backers. Or had, rather. A highly respected theologian, Ayatollah Ali Tehrani, who is a Mujaheddin sympathiser, is now hunger-striking in Mashad jail according to Rajavi.

When asked if the Mujaheddin, like the present fundamentalist government, wanted to spread the Iranian revolution to nearby Gulf states, Rajavi's reply was emphatic: 'We don't believe in interfering in the affairs of other countries. Full stop. This business of exporting the revolution is one of Khomeini's reactionary views.'

As for the Mujaheddin philosophy, Rajavi said that it is based on the idea of 'tawhid', which translates roughly as 'Muslim community'. Said the guerrilla leader: 'We go along with the three points on which Bani Sadr has based the National Council of Resistance: independence, freedom and Islam. Ideally, we'd prefer it if wealth was evenly distributed between the rich and the poor. But the Mujaheddin does accept the notion of a "national bourgeoisie" that is to say, one that isn't controlled by foreign interests.'

Rajavi does not rule out the possibility that once the National Front of ex-Premier Mehdi Bazargan, which represents the upper and middle classes, withdrew from the Majlis it would be allowed inside the National Council of Resistance. Bazargan and the other National Front deputies have boycotted the Majlis since Bani Sadr's impeachment. Along with Bani Sadr and the Mujaheddin, it is thought that so far the other members of the resistance coalition include the autonomist Kurdish Democratic Party.

Bani Sadr's attempts to avert a head-on clash between the Ayatollah's men and the armed opposition have so far failed. And with Kurdish rebels and Mujaheddin guerrillas ranged on his side, the former president, like it or not, may soon find himself leading a council of war.

CSO: 4600/149

BAKHTIAR: BANI-SADR IS 'KHOMEYNI'S DISCARDED VALET'

London 8 DAYS in English 15 Aug 81 p 16

[Interview with Shahpour Bakhtiar by Tim McGirk]

[Text]

IF THE *Dallas* television series ever went international, even J.R. Ewing's crowd could never match the sheer nastiness and tangled intrigue of wealth, back-stabbing and power-grabbing that is currently going on inside the circle of exiled Iranians.

A cast of leading characters would include a young crown prince — honest, but who never uttered a word in his life until he was six years old. The tragic woman would be his mother, Empress Farah, the sensitive one, who is trying to escape politics altogether and recapture the personal life she never had with her autocratic husband.

The plot is further complicated by President Sadat, who gave the fleeing Pahlavis sanctuary and provided them with a cosy palace outside Cairo: he is now displeased with Farah's private pursuits and has shunned the former Iranian royal family, which was once a feature at every major Sadat reception.

Enemies, sinister figures and comic generals abound. First there is the late Shah's twin sister, Princess Ashraf, a billionaireess who is engaged in a bitter succession feud with the empress. Next comes Shahpour Bakhtiar, the last shah-appointed prime minister, who was once considered the only answer to Ayatollah Khomeini's regime. This leftist lost valuable support after allegations that he was receiving \$12m from the Iraqi government, currently at war with Iran. The once-penniless Bakhtiar now owns three plush Paris residences.

Finally, there is a retired old Iranian chief of staff, General Ariana. He affects Napoleonic curls on his forehead, still sports a chest-full of medals, and is trying to organise an armed revolt in northwest Iran in September from a secret base somewhere just over the Turkish border.

No wonder then that — publicly, at least — neither Ayatollah Khomeini nor the two most recent Iranian exiles, Abol Hassan Bani Sadr and Mujaheddin leader Massoud Rajavi, aren't overly worried about the competition. Nevertheless, some of their attacks carry a sting.

In a telephone interview last week with *8 Days*, Bakhtiar ruled out any chance of his joining Bani Sadr's 'National Council of Resistance' and heaped abuse on the ex-president. 'He's nothing more than Khomeini's discarded valet,' he said.

When asked if the ex-president's sweeping election victory 18 months ago did not confer a legitimacy on Bani Sadr, he fumed: 'You European journalists don't understand Iran. Those weren't free elections. Khomeini dictated that Bani Sadr must be elected with over 70 per cent of the vote. And he was.'

Bakhtiar, like everybody else fighting Khomeini these days, says he commands the Iranian armed forces' support. This claim was dismissed by Bani Sadr, however, who told *8 Days* in Paris recently: 'These stories that Bakhtiar and the Shah's old generals still have loyal troops in Iran are nothing but daydreams.'

NABAVI DISCUSSES BANI-SADR'S FLIGHT, MOJAHEDIN OPERATIONS

Tehran ETTELA'AT in Persian 4 Aug 81 p 2

[Text] Yesterday morning Engineer Behzad Nabavi, minister of state for executive affairs and the government's spokesman, took part in a radio and television press conference at the prime minister's office in which domestic and foreign reporters participated, and answered their questions concerning such issues as the presidential elections, relations with France, Bani-Sadr's and Rajavi's escape and the problem of factions. A summary of the conference was carried in the second edition of this newspaper yesterday. At the start of this interview, Engineer Nabavi noted that this would be the government spokesman's final press conference under the Raja'i administration.

Economic Mobilization Headquarters

He started by commenting on assumptions voiced in France by Bani-Sadr concerning the work of the Economic Mobilization Headquarters: We leave it to the people to judge the work of Economic Mobilization Headquarters, to see if there has been achievement or not. Economic experts believe that, given present conditions, the work of the Economic Mobilization Headquarters has been outstanding, that it would have been tragic if it did not exist.

Escape by a Military Plane

Nabavi had this to say about the escape of the accused by a military plane and changes in the air force: The matter of using the military aircraft for the escape is under investigation. A number of persons have been arrested in this connection.

Referring to the flight of the accused, Engineer Nabavi said all protests concerning the matter are being directed at the government. I would like to say that the government has not been involved in this because armed troops are responsible for the protection of airports and military installations. Commenting on Bani-Sadr's reference to Col Mo'ezzi as 'brother struggler,' the government spokesman said: Bani-Sadr had commendation and praise for Col Mo'ezzi during a conversation he had with Amir Taheri, the former chief

editor of KEYHAN who is now active in the SUNDAY TIMES of London and who is a well-known Freemason. He has remarked that although Col Mo'ezzi flew the shah from Tehran to his place of banishment in reality he carried out a revolutionary act. Is not this a disgraceful remark? He has given the impression that Mr Mo'ezzi has done a good act.

Presidential Elections

Speaking of the president and the choice of a new prime minister Mr Nabavi stated: Today swearing-in ceremonies will take place in the Majles to be followed immediately by Mr Raja'i's introduction of a prime minister. Mr Bahonar's premiership is a 99 percent possibility, and I hope that this will take place as early as possible. This is the first complete official cabinet after the constitution in which half of the ministers of the present administration will be changed.

Relations Between Iran and France

The minister of state for executive affairs then commented on future relations between Iran and France despite Bani-Sadr's refuge in that country, the present atmosphere of relations between the two countries as well as the detention by France of Iran's missile patrol boats: The unfriendly stands taken by the French government are very surprising and could leave a bad effect on relations between the two countries. As you know, 4 members of the crew of the aircraft which had gone to France have asked to be returned. In this connection the French government has made it difficult for members of the staff of the Iranian Embassy in France to meet with the accused, stating that such a meeting with Bani-Sadr and those accompanying him can take place only if they were to choose an interpreter for such a meeting. And eventually they introduced Kazem Rajavi to translate discussions of the proposed meeting for them. These are unfriendly acts of the French government. I must say that the question of the release of the missile patrol boats has nothing to do with relations between Iran and France. We must see what the future policy of France will be toward Iran before we make a decision. If France becomes the center for counterrevolutionary activities, Iran will show appropriate reaction.

Bani-Sadr's Extradition

Referring to the extradition of Bani-Sadr and those accompanying him, the government spokesman said: Legal documents in our possession obligate the French government to return them, but from the point of view of international law failure to do so would subject it to condemnation. However, the stolen aircraft are ready for return. For example the plane in Cairo awaits a pilot to fly it back while, according to French authorities, the one in Paris is ready to be flown back. Neither has come back yet.

The War and Government's Preoccupations

Engineer Nabavi then answered questions about the war and general matters occupying the government's attention: Military activities of recent days were highly

successful and were a telling answer to rumors such as those claiming a weakening of the air force. We would also like to commend the activities of martyred Major Shahramfar, a brave officer who did so much in Kordestan and other parts of the country.

Bani-Sadr's Interview

He also referred in his comments to the interview by Bani-Sadr by saying: He has said in the interview that a poor turnout in the presidential election of Mohammad Ali Raja'i was a demonstration of support for him! Of course the foreign press has had a field day in this matter. For example REUTER has said that the Iranian authorities resort to any means to insure that Raja'i gets a greater number of votes than Bani-Sadr did, such as lowering the voting age and extending the balloting deadline. This same source has added that factory workers have been threatened with this or that consequence if they did not vote. This news agency then arrives at the conclusion that the election was a formality. Nabavi said: AP and the newspaper LIBERATION which is controlled by the rightists in France have ridiculed this matter and have spoken about the administrative system of the founders of the party--analyses which closely reflect views expressed by Bani-Sadr concerning Raja'i.

Counterrevolutionary Activities

The government spokesman then showed journalists a report on the activities of Mojahedin-e Khalq and other counterrevolutionary groups and gave details of activities of terrorism, bombings, destruction, shootings and the creation of fear by saying: Those who call the government Phalangist have really outdone the Phalangists of Lebanon, the German Gestapo, Palizban and Oveysi. Such acts cannot be justified under any formula such as for example who have been the targets of terrorism, what places have been bombed and what places have been destroyed--the important point being how these took place. These same people who call the government Phalangist have members of their family at the disposal of these same 'Phalangists' and we have information that they are in touch with their offspring.

He added: I am ashamed to repeat some of the names the Mojahedin have used in referring to the Imam. Referring to the discovery of Radio Peykar he said: In recent days about 60 persons have been arrested because of their part in commandeering cars and some 27 have been executed for various crimes. In another part of his comments he spoke about the flight of Bani-Sadr and Rajavi by saying their action showed on whose side they were: Bakhtiar and Oveysi. Bani-Sadr used to boast that since he was not afraid to die in the hot sands of Khuzestan he surely would not fear death in the cells of Evin prison. Of course those 'hot sands' of Khuzestan were really his luxurious palace in Dezful! He had asked us to place 5 hours of radio and television time at his disposal on the condition that we closed the borders. We of course told him the borders would also be closed to his supporters.

End of the Bani-Sadr Movement

Engineer Nabavi went on to say: The most important thing was the death of the Bani-Sadr movement. We no longer have a thing called the Bani-Sadr movement and, God willing, will be able to crush other diversionary moves. It can generally be said that the escape of these persons showed a weak point in the administration of the Islamic Republic. We must admit this and change this weak spot to a position of strength. An important point concerns rumors that the counterrevolution has used the matter to benefit from Bani-Sadr's strength. Such is not the case at all. When Bani-Sadr became commander in chief of the armed forces he adopted a special strategy aimed at positioning counterrevolutionary elements in the armed forces and shunting aside elements loyal to the revolution. His first move was the Tabas incident and the bombing of the helicopters which resulted in the martyrdom of a loyal son of the revolution (Mohammad Montazer Qaem). Those involved in those incidents should have been arrested and executed immediately. On the orders of Bani-Sadr, the then commander of the air force carried out the bombing to prevent documents of his connection with the United States from coming to light. Fearing that the air force commander, Bahman Baqeri might be arrested and cause his own exposure, Bani-Sadr assumed responsibility for that incident. And when they relieved Baqeri as acting air force commander, Bani-Sadr immediately appointed him head of the Civil Aviation Organization. At the start of the war for which he was totally unprepared, Bani-Sadr began moving 'chess pieces' in the armed forces. As we know, he issued an announcement to the effect that all retired generals must return to active duty. A repeat of the announcement was prevented. Immediately after this, Bani-Sadr expounded an analysis of the Nuzheh coup in order to divert public attention and put a question of doubt in their mind by saying the Nuzheh coup was engineered by the United States for the purpose of dislodging experts from within the armed forces. We know, however, it was a real coup that led to the arrest of a number of persons. He wanted to show that those who had uncovered the coup were Americans. In reality his purpose was to smooth the way for the return of the arrested military officers. By using his position as commander in chief, Bani-Sadr had created a climate of propaganda that misled air force pilots into false assumptions. One such issue was the "Arab vs Ajam" diversionary tactic.

Distribution of MIZAN and ISLAMIC REVOLUTION

The spokesman said: Copies of ISLAMIC REVOLUTION and MIZAN would be taken to military installations and centers at 2 o'clock in the morning whereas they would prevent newspapers of the Imam's line from reaching such places. The creation of such conditions by Bani-Sadr allowed him to remove officers of integrity from the ranks on the pretext of carelessness and negligence. In conclusion, the government spokesman addressed these words to the military brethren: I ask them to meet issues with full awareness and to remember that the gravest treason to the army was committed by Bani-Sadr. He used to refer to himself as 'I,' which meant the United States. These brothers must ask themselves where are those empty slogans of Bani-Sadr, why he took refuge in France and the types of people he imposed on the armed forces: Baqeri, Farivar (responsible for the 56-million-dollar blunder), Kheyrkhah, Mo'ezzi. These were disgraceful blots created within the armed forces by Bani-Sadr. Needless to say the government of the Islamic Republic will act decisively where wrongdoing is involved.

5854

CSO: 4640/78

DETERIORATION OF RELATIONS WITH PLO, ARAB STATES REPORTED

Media Rift Over PLO

London IRAN PRESS SERVICE in English No 35, 27 Aug 81 p 1

[Text] Top spokesmen of the Khomeyni regime have reacted angrily to a report in some Arab newspapers of the closure of the Palestinian Embassy in Tehran.

Tehran Radio ridiculed the report in two separate commentaries; then a Foreign Ministry spokesman took time off from a routine verbal attack on "American imperialism" to say that the Reagan camp had been as frightened by the alliance of Iranian and Palestinian revolutionaries that they had to fabricate false reports, such as the closing of the Palestinian Embassy in Tehran, "to create a rift between the two nations."

Subsequently the theme was picked up by the mullah-controlled press to reassert solidarity between the "great forces of Islam." One newspaper, ISLAMIC REPUBLIC, organ of the Islamic Republican Party whose former editor, Hossain Moussavi, is now Minister of Foreign Affairs, suggested that Iran should take the lead in formation of a new front "to liberate the land of Palestine."

The suggestion was elaborated by Tehran Radio commentators, who said that while Khomeyni had already designated the last Friday of each Ramazan (Muslim fasting month) as Jerusalem Day, more concrete action was now needed. This came at a time when Libya, Ethiopia and the North Yemen were holding talks for a united front in the Persian Gulf against the Western presence there.

The whole affair underlines the embarrassment of the Iranian ruling clerics in having established trade ties with Israel, especially buying "Zionist-made" arms to kill Arabs in the war with Iraq. It also shows a rift between Bahonar's government on the one hand and the PLO on the other. To complicate things even further there are now signs of another rift between the Iranian theocrats and Colonel Mu'ammarr Qadhdhafi of Libya. Informed sources in Tehran report that since the assassination of Ayatollah Beheshti, the founder of the Islamic Republican Party, relations between the Iranian mullahs and the Libyans have steadily deteriorated.

Restrictions on PLO Embassy

London IRAN PRESS SERVICE in English No 35, 27 Aug 81 p 2

[Text] Obviously the Palestinians and Syrians were unhappy when they heard of the shipment of Israeli arms to Iran. And they were not fooled by the stories which Iranians put out claiming a frame-up. While the mullahs were trying to make excuses to the Palestinians, a group of monarchist commandos in Tehran carried out a raid on the Palestinian Embassy. It is not known why they did it; nor is it known whether any Palestinians were killed in the raid. But reports indicate that the building, formerly the Israeli Legation office, was visibly damaged. Two Palestinians were attacked and badly injured in Tabriz, north Iran, by angry crowds.

The media in Tehran did not report these two incidents. And since Western media's correspondents in Iran are restricted in their movements, news of these two attacks did not filter out until the Iraqis learned of it and circulated it. It was at this time that reports of the closure of the Palestinian Embassy in Tehran appeared in sections of the Arab media. These reports came as further embarrassment to an already embarrassed regime in Tehran. During the past two weeks the media in Tehran, fully controlled by the ruling clerics, has tried to appear more anti-Israeli and even more pro-Palestinian.

Yet signs of strain between mullahs of the IRP and the various Palestinian groups are evident. For instance, Tehran Radio rarely uses news stories and comments put out by WAFA, the PLO news agency; it either uses dispatches sent from the Beirut office of PARS, the Iranian news agency or depends on news published by the Syrian-backed Al-Saiqa group. Movement of Palestinians not belonging to the Al-Saiqa group is tightly restricted for fears that Palestinian sympathisers with the Mojahedin-e-Khalq might try to smuggle arms to these anti-Khomeyni terrorists.

More specifically, new premier Bahonar is known to hold personal grudges against PLO leader Yasir 'Arafat. Given all these facts, especially links between the Mojahedin and some Palestinian elements, it is safe to assume that Bahonar has ordered some kind of restrictions be imposed on the Palestinian Embassy in Tehran, which explains why the regime was so jittery about reports of the embassy's closure.

Israeli Arms Deal

London IRAN PRESS SERVICE in English No 35, 27 Aug 81 pp 6, 7

[Text] Under the Pahlavi regime there were strong trading ties between Iran and Israel. The two countries had also established joint ventures in a host of agricultural and industrial fields. All these were no secret and all the Arab countries were aware of such ties. In fact, Iran was a channel through which in the past many Arab countries, including Iraq, used to receive Israeli goods or benefited from training in agricultural or animal breeding projects. Many Arab trainees received instruction from Arab-speaking Israeli experts on how to handle farm machinery or care for cattle and other stock. But all concerned would keep silent on this.

There was also cooperation between Iran and Israel on arms manufacturing and aircraft maintenance.

After the fall of the Shah's regime Iran on several occasions was forced to buy Israeli dairy products and meat to avert suddenly developing shortages. But the exchanges were kept to a minimum, especially because Iran had defaulted on payment of Israeli financial claims.

The war with Iraq, coming at the time of a Western trade and army embargo on Iran, forced the Islamic Republic to seek out international dealers to replenish its badly exhausted supplies of war materials. For a while supplies could be obtained from South Korea and a number of dealers capable of obtaining arms from German and British makers. But for as yet unexplained reasons relations between Iran and South Korea became badly strained, and Iran ordered expulsion of some South Korean diplomats and businessmen. Also, arms dealers in Europe were harrassed by British and other European authorities urging them not to supply the Iranians with arms.

The Tehran regime, after a time, learned that Israel was the best source for supplying the kind of arms the Iranian army and air force needed. But under the pressure from Palestinian and Syrian advisers within the Khomeyni regime, the Iranian army command resisted the temptation to try to buy from Israel.

The army chiefs were hoping Syria and Libya would supply them with sophisticated weapons as well as the sort of guns and ammunitions needed to keep up Iran's fire power in a war of attrition in which supplies are being wasted in a frightening manner. But the two brother Arab countries did not help.

To top it all, Arab (mainly Lebanese) dealers who were to get arms from international gun-runners appeared to be crooks. Reports of Arabs, in collusion with the mullahs, taking millions of dollars to buy arms but then making off with the money, circulated in Tehran.

Finally the National Defence Council in Tehran decided, in exasperation, to buy arms from Israel--a fact which Bani-Sadr has now admitted.

Several shipments of Israeli arms are said to have been flown to Tehran. Baghdad Radio has been accusing Iran of buying Israeli arms for the past six to seven months. Several front organisations were also involved and Cyprus was the key place. Unfortunately for the Iranians, the crash of an Argentinian freight craft in Soviet Armenia, still unexplained, exposed the whole deal.

In the meantime, at least one person who was opposed to the deal--Mostafa Chamran--was also mysteriously killed. Chamran was a leader of Al-Amal terrorist group in South Lebanon before returning to Iran to set up and command para-military forces.

The Tehran regime was understandably embarrassed when the secret deal was exposed because its main theme has all along been opposition to Israel. So, its official spokesmen had to over-react to suggestions of a link between the Khomeyni regime and Israel.

The Iraqis, for their part, are well aware of the Iranian regime's sensitivity over any links with Israel. Baghdad Radio has been blowing up the affair out of all proportion.

In reply Tehran Radio has said that the Israeli raid on the Iraqi nuclear plant was planned as part of a secret deal between Saddam Hossein and Israeli prime minister Menachem Begin to achieve two goals: firstly to provide material to the Iraqi propagandists, to say that while Iraq is fighting Iran, it is also being attacked by Israel, implying cooperation between Tehran and Tel Aviv; and, secondly, to enable Israel to destroy Arab nuclear capability.

Such allegations of a secret deal between Saddam and Begin, constantly broadcast by Tehran Radio, were so unbelievable that not even the most ardent and simple-minded supporters of Khomeyni believed them. Yet Tehran Radio has continued to claim "that Israel's raid on the Iraqi plant was a kind of decoy to confuse "truly anti-Zionist and anti-imperialist forces."

Disagreements With Qadhdhafi

London IRAN PRESS SERVICE in English No 35, 27 Aug 81 pp 8, 9

[Text] It is known that Beheshti and his henchman Bamonar have always been close friends of Libya, while the family of Ahmad Khomeyni's wife, whose uncle Imam Mussa Sadr, the leader of the Lebanese Shi'ites who disappeared three years ago, holds Qadhdhafi responsible for his fate and is committed against the Libyan leader. Another of the clerical politicians, the assassinated son of Ayatollah Montazeri, Mohamad Montazeri, was known to be an agent and close friend of Rifat Assad, who was until recently head of the Syrian Intelligence.

At the beginning of the Irano-Iraqi war the Syrian and Libyan factions of Iranian mullahs came closer together, especially when Hafiz Assad of Syria and Qadhdhafi began to forge close links. But because of Syria's entanglement with Israel in Lebanon and Assad's refusal to give concrete help to Iran's war effort relations between the Khomeyni regime and Syria have inevitably cooled.

Iran hoped that Qadhdhafi would somehow be more positive in his support of Iran against Iraq. The dismissal of Bani-Sadr, who was despised by Qadhdhafi, could be calculated to please the Libyan president. But the IRP headquarters explosion which killed the pro-Libyan Beheshti as well as Mohammad Montazeri occurred almost immediately after Bani-Sadr's ouster. Meanwhile, the Libyan leader began paying more attention to his African role, including befriending the Marxist leader of Ethiopia; he told the Iranians to end the war with Iraq.

Bamonar is not very much inclined to end the war because it gives him a good pretext to continue his repressive tactics at home while keeping the army out of the way at the war front. He does not, therefore, appreciate Qadhdhafi's urgings that the war should be ended.

All these events have affected relations between Iran and Libya, especially now that Qadhdhafi appears to be trying to patch up ties with Baghdad and Rabat. There is no doubt that the Iranian rulers depend heavily on the support of Palestinian, Syrian and Libyan military and intelligence support at home to remain in power. Even today it is the Libyan intelligence and Algerian diplomatic support abroad which keeps the mullahs informed of the activities of monarchist and other opposition organisations abroad. The Khomeyni regime can, therefore, ill afford to lose Qadhdhafi's support.

But the regime is coming round to feel the drawbacks of leaning so heavily on volatile and unpredictable allies like Qadhdhafi. Indeed, they are probably well aware that their opponents at home are delighted to see Khomeyni and his aides lose face over the rebuffs they have received from Qadhdhafi, Assad and Arafat.

CSO: 4600/169

TUDEH PUBLICATIONS ACCUSED OF 'CREEPING PLOT'

Tehran AHZAB in Persian 14 Jul 81 pp 1-3

[Text] The subjugating and colonializing superpowers have experimented with various methods to attract the governments of the Third World. Their most important and best method is to plant affiliated political groups in the country of their choice or employ special groups or individuals who are able to work for their interests.

The methods and policies of the dependent parties, too, in the course of long years of being the mercenary servants of foreigners have reached perfection (!), since, as usual, those parties which are the "hopes" of the foreigners enjoy many propaganda resources. And the propaganda is carried out in the form of organizations as well as dependent publications.

The purpose of this brief introduction is to point out that a foreign nurtured party such as the Tudeh Party still continues its anti-Islamic activities through its many affiliated publications. And this is at a time when its central organ has been banned by the prosecutor of the Islamic Republic and accused of a "creeping plot" against the sacred principles of Islam and the foundation of the Islamic Republic.

Therefore, it is our duty to identify the affiliated publications, such as its central organ, of this atheistic group and neutralize the creeping plots which are being carried out by them.

One of these affiliated publications is ETTEHAD-E MARDOM, which has now replaced the banned newspaper, NAMEH-YE MARDOM. Below, we explain briefly about this publication and we hope to have the attention of the respected responsible authorities to eliminate the plots of the enemies of Islam and the Islamic Republic.

The weekly publication, ETTEHAD-E MARDOM, appears to be the paper of the Soviet-Tudeh minigroup, Ettehad-e Demokratik-e Mardom-e Iran, under the leadership of Mahmud E'temadzadeh "Behazin."

Concerning the minigroup Ettehad-e Demokratik-e Mardom-e Iran, it would be appropriate to explain that this minigroup at the height of the anti-subjugation, anti-atheistic Islamic movement of our Moslem nation, in 1357 [21 Mar 78-20 Mar 79], was founded by Behazin. From the very beginning, the charter of this minigroup was devised to conform to the charter of the Tudeh Party. Therefore, it is clear that it was functionally dependent on the hated Tudeh Party.... It seems that the Soviet political circles had thought that the Tudeh Party--given its absolutely treacherous past

regarding the Iranian people and its service to foreigners and given the fact that it played no role in the Islamic, anti-monarchical, and anti-colonialist struggles of the Iranian people--had and will have no chance for success in Iran and, therefore, it was necessary to create a minigroup with a new name and a new title, but with the same political line...which the Tudeh Party followed. Hence, they created the minigroup, Ettehad-e Demokratik-e Mardom-e Iran. In the beginning, this minigroup began its activities as the "new hope" of the Soviet Union.

But, after the victory of the magnificent Islamic revolution and after the foreigners heard the outcry of Islam and witnessed with astonishment and disbelief the immortal, movement-creating force of the cries of "God is great," they realized that "intellectualism" was of no use to them and they had to begin "deceptions." Hence, they gave the main mission to the old-hand trained group which was led by a loyal servant such as Kianuri. Consequently, the Tudeh Party entered the arena and did its best in the way of propaganda and public deception. And on this path it enjoyed the endless assistance of its "master."

In this manner, the role of Ettehad-e Demokratik-e Mardom-e Iran moved towards being a dependent group with pseudo-intellectual tendencies able to attract the East-struck pseudo-intellectuals who support the Soviet Union.

For this purpose, ETTEHAD-E MARDOM, a paper affiliated with the abovementioned group, dealt more with subjects of interest to the East-struck pseudo-intellectuals and its analyses of issues and events followed those of the Tudeh Party.

Presently, ETTEHAD-E MARDOM has replaced NAMEH-YE MARDOM. The Tudeh Party has many affiliated publications which it will use at times of vital importance.

There are also many organizations which are affiliated with this heretical, mercenary party, whether or not this dependence is official and open. And these affiliated organizations also have publications. Therefore, to fight the "creeping plot" of the Tudeh Party decisively and thoroughly, all of them must be identified and closed down.

Some of the publications of the organizations affiliated with the Tudeh Party which are presently being published and which freely continue their "creeping plot" against the sacred principles of Islam and the foundations of the Islamic Republic are listed below in hopes that the necessary legal actions will be taken against them.

The Official Publications of the Tudeh Party

1. NAMEH-YE MARDOM (Kurdish)
2. NAMEH-YE MARDOM (Turkish)
3. PAYAM-E MARDOM BARA-YE DANESHAMUZAN

The weekly student paper of the Tudeh Party

4. PAYAM-E MARDOM BARA-YE KARGARAN-E NOWJAVAN

The paper for the young workers

5. ETTEHAD

The workers' paper of the Tudeh Party

6. ETTEHAD-E MARDOM

The weekly publication for the so-called intellectuals of the Tudeh Party

7. JAHAN-E ZANAN

The publication of the Democratic Organization of Women, which is dependent on the Tudeh Party

8. SOLH

The paper of the pro-peace society, dependent on the Tudeh Party

9. BULTAN-E 'KANUN-E SENFI-YE FARHANGIYAN'

The cultural publication of the Tudeh Party

10. NASHRIYEH-YE SHOWRAY-E NEVISANDEGAN VA HONARMANDAN-E IRAN

The branched out group of Kanun-e Nevisandegan, affiliated with the Tudeh Party

11. NASHRIYEH-YE PAYAM-E HAMBASTEGI

Affiliated with the syndication society and the councils of Tehran and its suburbs

The following publications follow the affiliated line of the Tudeh Party:

FARDA-YE IRAN

VARZESH

HOD HOD

VARLIQ (Turkish)

PIRUZI

Also, it must not be forgotten that the Tudeh Party also printed and distributed some publications without separate permits and as an addendum to the banned newspaper NAMEH-YE MARDOM and these publications have also been banned. Below, we also mention their names so that the respected authorities become aware and prevent their publication as well.

DONYA, the monthly theoretical paper of the Central Committee of the Tudeh Party

JAVANAN-E TUDEH, the student publication of the Tudeh Party

DEHQANAN-E IRAN, the farmers' publication of the Tudeh Party

Little by little, in the future, we will provide evidence and reasons to show the dependence of the above publications on the Tudeh Party. In this issue, some of the evidence is provided which shows the affiliation of ETTEHAD-E MARDOM, which presently has taken over the role of NAMEH-YE MARDOM:

1. The first indication of the affiliation of ETTEHAD-E MARDOM with the Tudeh Party is that ETTEHAD-E MARDOM is affiliated with Ettehad-e Demokratik-e Mardom-e Iran. This minigroup follows precisely and is affiliated with the Tudeh Party. This is evident in the charter of this minigroup, the past record of its leadership, especially that of Behazin, and its line and policies.
2. Another sign that shows ETTEHAD-E MARDOM has replaced NAMEH-YE MARDOM of the Tudeh Party is the content of its recent issues, especially after NAMEH-YE MARDOM was banned.

The content of this publication before NAMEH-YE MARDOM was banned was mostly of the following nature:

Relatively theoretical and artistic subjects and articles for the so-called intelligentsia;

Political and social analyses which followed the line of the Tudeh Party;

Economic subjects;

Propaganda concerning the social conditions of the so-called socialist countries, such as Kampuchea, Laos, Cuba, Vietnam, North Korea, and Bulgaria.

On the whole, this paper did not report news, concerning itself mostly with subjects geared to East-struck pseudo-intellectuals. Its analyses were usually behind the times. Even its editorials, which by nature are supposed to be about current issues and events of the week, mostly dealt with the events of the previous weeks, for instance, 10-14 days before the article was written.

But after NAMEH-YE MARDOM was banned, this publication gradually lost the abovementioned characteristics and changed into a party paper, such as NAMEH-YE MARDOM. It increased its news reporting and now has much about current issues and events. It has relatively lost its special appeal to the pseudo-intellectuals. And in order to deceive the public even more, it has given up the propaganda of the social, political, economic, and other aspects of the socialist countries it used to deal with in such detail.

Apparently its sales have also relatively increased. Surely the Tudeh members are buying it instead of NAMEH-YE MARDOM.

These are all signs that show ETTEHAD-E MARDOM has replaced NAMEH-YE MARDOM. And, according to the honorable revolutionary prosecutor, the Tudeh Party is presently preparing and carrying out a "creeping plot" through this publication.

We will have more to say about the affiliated publications of the Tudeh Party. For now, suffice it to say that ETTEHAD-E MARDOM must be banned by the decree of the honorable responsible authorities the grounds that it is accused of waging a creeping plot against the sacred principles of Islam, so that the Moslem people of our country will be rid of this illegal publication and the dependent party of its affiliation.

In conclusion, we should point out the deceptive tricks of the Tudeh Party in 31'-'32 [21 Mar 52-20 Mar 53], when by using numerous titles but with one address, they obtained several publication permits from the government of the time and spread their party propaganda through them. This trickery and the deceptive policy are described in a bulletin that the Ministry of Islamic Guidance has published about the U.S. coup of 28 Mordad 32 [19 Aug 53]. We refer the interested readers to that source.

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CSO: 4640/83

OUTLAWING OF TUDEH PARTY ASKED

Tehran AHZAB in Persian 14 Jul 81 pp 1, 6

[Text] In the first part of this paper, concerning the public deception of the affiliated Tudeh Party and the pretention to Islam of these infidel functionaries, we said that the praise of Islam and the clergy by the Tudeh Party is nothing but a political game and an obvious public deception.

In stating our reasons in Part A, we said that the Tudeh Party is a communist party with a Marxist-Leninist world view, that is, with ideologies which are 100 percent atheistic and absolutely blasphemous.

In this regard, we quoted several instances of the writings of the treacherous Tudeh members which indicate that the Tudeh Party is Marxist-Leninist and is trying to drag out present Islamic society to Marxism and so-called "scientific socialism."

In the last issue, too, in Part B, after quoting samples of the writings of the Marxist-Leninists on religion, we explained in more detail that Marxism is the enemy of religion, that Marxism is precisely the same as materialism, and we concluded that:

1. According to Lenin, the leader of the Marxists, fighting religion is like the alphabet of Marxism.
2. Marxism is not the kind of materialism which would stop at the alphabet. In its fight against religion, it would go further, searching for a fundamental way to fight religion.

It would not be inappropriate in order to show the vile objectives, which, according to the imam, are the destruction of the Koran and Nahj al-Balagheh, to review the works of the Tudeh Party, which make it clear that the Tudeh Party has already clarified the answer to this question and has openly said that in order to achieve power, it will deal with Islam hypocritically.

It expresses those views as follows:

"The philosophical and social views of Islam have been ingrained in the political life of the vast strata of cities and villages and no party will be able to ignore this reality."¹⁵ [as published]

It is with consideration for such a phenomenon that it says:

"The propaganda organization of our party must work extensively in this area to find out methodically and in detail what can bring the supporters of Islam and the supporters of scientific socialism closer together on social issues. The party cadres must be completely mobilized in this regard. Little or no attention on this intellectual battlefield can cause irreparable damages."¹⁶

Also, Kianuri, in response to the question of why he quotes the verses of the Koran so much, said:

"We must, in our theoretical organization, deal with Islam, which is the ideology of the vast majority of our society, a society in which we want to bring about fundamental changes within the framework of our own ideas and world view. We cannot completely ignore the ideology and world view of 97-98 percent of the Iranian society . . . This is our best method . . . that is, to make use of one side which has progressive aspects . . . to suppress the other side which is reactionary."¹⁷

Kianuri, this great banner-carrier of Russian slavery who answers all questions easily and unabashedly, approves of being a functionary both for himself and his party. The Tudeh Party, to justify its hypocritical method, says:

1. Islam has deep roots in the lives of 97-98 percent of the Iranian people in the cities and villages.
2. The propaganda of the Tudeh Party must be based on showing Islam and socialism as close to one another.
3. Little attention to this issue will greatly and seriously damage the Tudeh Party.
4. To superficially defend Islam is the best way to impose our views and suppress the reactionary aspects of Islam!

This policy is not too unexpected since it is in accordance with the instructions of the great master, the mother party, that is, the Soviet Communist Party. The political secretary of that party, (Boris Punamarif), clarifies the duties of the Communist parties in the Middle East by quoting Lenin:

"V. I. Lenin emphasized many times that the Communist parties in the Middle Eastern countries must learn to conform to the special conditions of these continents in which farmers make up the largest group of the people, religion is a great force, and nationalism is often part of the prevailing ideology."¹⁸

This "instructional theory" from the secretary of the central committee of the Soviet Communist Party, and "forced obedience" by the central committee of the Tudeh Party, clarifies the dangerous and hypocritical nature of many of the articles published by the Tudeh Party introducing Islam and, for that matter, the true Islam of the imam's line. It clarifies that these articles reflect the implementation of this policy and follow a goal which is precisely connected with the propagation of Marxism and in its final stage, the establishment of a system based on blasphemous Russian thoughts and dependent on the Eastern colonialist system.

C. The Tudeh Party is an anti-Islamic party and must be abolished.

Our nation is a Moslem one. This is know to everyone. And, incidentally, the Tudeh members know this very well. Our being Islamic is our independence, it is our dignity and the foundation of the life of our nation. Because we were Moslems and considered the regime of the tyrant the manifestation of infidelity, we rose up and severed all its colonialist relations with Western imperialism headed by the United States. And now we continue on the same path with more valuable experiences. Imam Khomeyni, this guardian pillar of the revolution who is the helm of leadership for the whole nation, has pointed out frequently that the "nation made a revolution for Islam"; "we want Islam and none other than Islam"; etc. This special characteristic of our people, that is, having Islam and especially Shi'ism rooted in the depths of their lives, beliefs, and minds, has been the cause of all the present revolutionary changes. And that is why we have made the slogan of neither Western nor Eastern into a motto to fight against the Soviet, Chinese, American, and European colonialists. And we are irreconcilably at war with their domestic functionaries, such as the Ranjbaran Party, Jam'iiyat-e Edalat, Tufan, Razmandegan, etc. If we speak of imperialism it is not because it competes with the Soviet Union (as the Tudeh members say); we consider the United States imperialistic because it is one of the greatest obstructive forces to human development, obstructing the way to the Islamic and godly growth of human beings. The United States is our enemy because it prevents the establishment of an Islamic government and is the deadly enemy of the Islamic Republic of Iran, because it knows that through the establishment of such a government, its domination both in the region and in the world will be threatened. With this analysis, we have nothing in common with the loyal servants, such as the Tudeh Party, who consider themselves at war with imperialism only in words, according to the analysis dictated to them. The fact that we are the defenders of the working people in practice and not in

mere words can no longer be taken advantage of by the Tudeh Party and its cohorts who defend the working people with words alone, pretending to be close to Islam. Our nation knows you well. And it knows why you have become anti-imperialist. You move, work, and act in accordance with the instructions of the Soviet theoreticians, in the same way that Peykar, Tufan, and Ranjbaran are engaged in counter-revolutionary activities on signal by American or America-dependent politicians.

Concerning the anti-Islamicism of the Tudeh Party, it is sufficient to note that despite all their efforts to show themselves close to Islam, while carrying out the instructions of their master line by line, there still appear tell tale signs which betray the anti-Islamic nature of this party. For instance, Ehsan Tabari says:

"Religion is the offspring of witchcraft and has always preserved its internal ties with it, because religion is also based on dividing the world into natural and supernatural, considering the supernatural as authentic."¹⁹

Oh, you hypocrites and loyal mercenary servants, how could you still speak of the "imam's line"? The line of the imam, which is the line of God and religious rule, is based on faith, the unseen, and the supernatural. The imam, whom you unabashedly claim to follow, and on the basis of the verse, "Those who believe in the Unseen are steadfast in prayer," is the manifestation of piety, faith in the unseen and the practitioner of prayers. What would he possibly have to do with you atheistic, materialist blasphemers who oppose the "unseen"?

The world view of us Moslems is based on belief in "Allah" and faith in the unseen. And it is precisely the opposite of the materialistic world view of you Marxists. Since thought is the basis for action and we are in complete conflict in thought, so, too, in action we cannot have the least unity with you, even in so-called tactics, even for a short time. And on the basis of this principle, we declare that not only will we not give up our revolutionary actions which come from our exalted Islamic beliefs but also we will expose and reject the mercenary policies of the Tudeh Party, which tries to show its political line as close to the Islamic line of the imam. We seriously request of the authorities of the Islamic Republic of Iran, especially the honored representatives of the Islamic Consultative Assembly, that they materialize the public demand of the Moslem people of Iran and free the nation from the evil of these foreign-worshipping mercenaries and put an end to their official recognition in the Islamic Republic of Iran.

FOOTNOTES

15. Ratified in the 16th Plenum of the Central Committee of the Tudeh Party.
16. The same document.
17. Kianuri, PROSESH VA PASOKH, No 8, pp 13, 14.
18. (Boris Punamarif), "Masayel-e Mobram-e Te'orik" [Vital Theoretical Issues], Translated by the Tudeh Party, p 86.
19. Ehsan Tabari, "Barkhi Barrasiha dar Bareh-ye Jahanbini va Jonbeshha-ye Ejtema'i-ye Iran" [Some Observations about Social World Views and Movements in Iran], New Edition, p 88.
20. The Koran, Sureh Baqarah, Vs 3.

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CSO: 4640/84

PENETRATION OF TUDEH PARTY IN KHOMEYNI REGIME DETAILED

London IRAN PRESS SERVICE in English 20 Aug 81 pp 8-11

/Text/ A formerly prominent Iranian official, who left Iran only a few months ago, contributed the following summary of the Tudeh's tactics in the Islamic Republic:

Iranian businessmen, civil servants, professional groups and the armed forces are alarmed at the mass infiltration of the administrative ranks by members of the Moscow-oriented Tudeh (communist) party.

Communists now occupy middle rank posts in most government offices. They are responsible for policy proposals and what they propose is often approved by the decision-makers, who are clerics of the Khomeyni school. Even the well-known Feizieh Theological School in Qom is heavily infiltrated by communists. Well-informed sources have identified as many as 60 trained communists among teachers of that theological school who wear turbans and mullah's garments but are, in fact, fully fledged communists.

The Tudeh party's infiltration of the theological schools is not new. As long ago as 1948 there were nearly 100 known communists among Qom's various schools of religious learning. In 1951 two religious figures were among the list of candidates put up by the Tudeh for the Majlis elections. These were Ayatollah Borghai and Shaikh Mostafa Lankarani, who did not make it to parliament then.

Subsequently, after the fall of the Mosadeq government in 1953, the regime which followed took up an anti-Soviet stance and closed down all the front organisations of the Tudeh Party.

The Tudeh leadership fled to Russia and other East European countries, leaving the rank and file to their fate. Many were tried and given prison terms but the majority abandoned political activity and settled down to ordinary life. The royalist regime's secret service, SAVAK, was efficient in keeping check on the clandestine operations of Tudeh Party and Soviet agents.

But they were not allowed to harass anti-regime elements in the religious schools and institutions. As a result, these theological institutions became a safe haven for communists. At the same time, the offspring of those Iranian communists who were in exile in Eastern Europe were being trained as administrators, doctors and agents by their host countries, ready to move into Iran when and if the conditions were ripe.

In the autumn of 1978, when Khomeyni was waging his Islamic war against the royalist regime, a top delegation from Moscow arrived in Budapest for secret contacts with Khomeyni aides. It is not known for sure who among the Khomeyni team met the Soviets in Hungary then, but it is certain that the since-assassinated leaders, Mohamuad Beheshti and Hasan Ayat, were making the final decisions on a deal which led to the legal presence of the Tudeh Party in post-revolutionary Iran.

Soon after the collapse of the royalist regime Tudeh activists all over the communist world were issued with Iranian passports and birth certificates and returned to Iran.

It is believed that several hundred Soviet citizens from the Azarbaijan, Tajikistan and Armenian republics who look Iranian and speak the Persian and Azari Turkish languages, were also sent to the northern provinces of Iran, with Iranian identity papers.

In the beginning the Tudeh Party kept a low profile and showed total obedience to Khomeyni. When former prime minister Bazargan decided, under pressure from intellectuals and the middle classes, to curb the Tudeh propaganda on the legal grounds that their actions were against several laws which were still binding in 1979, Khomeyni personally intervened to stop Bazargan.

It then became clear that the Tudeh was supported from very high up. In the summer of 1979, Tudeh activists were instrumental in pushing the Islamic Republican Party to adopt Marxist ideas on sections of the Islamic constitution which dealt with economic matters.

When the U.S. embassy was seized, the Tudeh gave full support to the move, and as a bargaining point it was allowed to defend Moscow's policies over Afghanistan, a concession which seems strange coming from a supposed Islamic regime.

The Tudeh has all along supported Khomeyni and the Islamic Republican Party, given them technical and intellectual assistance, and has slowly and quietly placed its own agents in the media, revolutionary courts and almost all the government offices.

Tudeh Benefits From Purge

In November 1979, following the taking of the U.S. embassy, Bazargan resigned as prime minister and Khomeyni decreed that the then-secret Revolutionary Council should begin direct rule.

The decree detailed four principal tasks for the direct rule by the council:

1. To hold a referendum to ratify the Islamic constitution
2. To hold presidential elections
3. To hold elections to the Majlis, and
4. To purge government offices of undesirable persons

One week later purging committees were formed in all government offices to dismiss everybody suspected of opposition to theocracy, sympathy for the West or having occupied a high position before the revolution. The purging committees consisted of two elected members from among the ranks of the employees, one representative of the management and two representatives from the Islamic organs.

It so happened that in nearly all purging committees the powerful members were all Tudeh party sympathisers, who used Khomeyni's directive on purges to selectively dismiss capable employees from important and key positions. Having thus created vacancies they systematically pushed their own trusted and loyal elements to fill them. In this way, without firing a shot, the Tudeh grabbed key seats in the administration.

Why Merchants Are Worried

The communist elements in the Khomeyni administration had planned gradual liquidation of the private sector as long ago as the spring of 1980. By creeping into the ranks of middle management they had convinced the Islamic Republican Party bosses that the mullahs could never hold power as long as the economy remained outside their total control.

Already the Islamic constitution had envisaged nationalisation of foreign trade and big business, as well as limitations on private land holdings. When the Iraqis invaded Iran, Tudeh elements in the administration saw their chance to bring all aspects of economic life under State control under the pretext of "a wartime economy."

Suddenly rationing was introduced for essential goods, coupons were printed and issued and an East European-type economy was imposed. The merchants are now afraid that before the war is over the private sector will be totally eliminated, except for a few enterprises owned by the new theocratic class. After the war it will be too late to change the situation, they fear.

For their part, the Tudeh Party believes that the more the country is shaped in a marxist mould, the easier will be their chances of a quiet takeover after the death of Khomeyni.

Tudeh Benefits From Splits and Executions

At the beginning of its second term in politics in 1979 the Tudeh was the weakest of all Iran's leftist parties. Moreover, it was hated by the majority of people because of its total and blind loyalty to Moscow. Clearly, Tudeh offices were regarded as branches of the Soviet embassy. Now, Tudeh is the only leftist party which operates freely and, thanks to vast financial resources, can expand its offices, publications and activities. It has benefited from splits in the ranks of other leftist parties and also from the slaughter of the members of other communist parties which are not loyal to Moscow.

How Does Tudeh View Khomeyni?

In an internal document circulated last year the Tudeh leadership praised Khomeyni as the most capable and far-sighted anti-imperialist leader the Iranian masses have ever produced.

"He penetrates the minds and hearts of the illiterate masses," the document said. He turns them against American and Western imperialism in a way no other person can. This is no small achievement. Because the Iranian masses have never had any hatred for the Americans or Europeans other than Tsarist Russia and Imperial England, the creation of hatred among them for the Americans could not have been achieved by anyone other than Khomeyni. Iranians had no natural reason to hate Americans, but thanks to Khomeyni they now feel it is their religious duty to do so."

The document further adds: "On the eve of the revolution, Iranians still had a strong nationalist feeling and a latent preference for monarchy. Both these elements could be played up against progressive change (i.e. takeover by communists) but Khomeyni used his influence and leadership to fight the Iranian sense of nationalism and its symbol, which is the monarchy."

Tudeh activists say that they can stage a creeping coup, or a palace coup, and live with Islam, but they could never live with Iranian nationalism; nor indeed they could never be so close to power had there been a monarchy in Iran. A monarch, no matter how weak or how much of a figure-head, could always be a rallying point or moral support for anti-communist forces.

"Khomeyni's work in ousting monarchy is his most important contribution to us," they say. "His anti-Americanism is his second biggest asset."

CSO: 4600/163

SWEDISH PAPER VIEWS IRANIAN EMBASSY SIT-IN

PM271358 Stockholm SVENSKA DAGBLADET in Swedish 25 Aug 81 p 2

[Editorial: "Lidingoe and Iran"]

[Text] The occupation of the Iranian ambassador's residence in Lidingoe, outside Stockholm, was terminated after only a few hours. The Swedish authorities acted with praiseworthy firmness. Even though the demands from the Iranian students who occupied the residence were modest--they wanted to hold a press conference in the house--every successful occupation of this type increases the temptation to undertake new blackmail attempts with diplomats as hostages.

The occupiers wanted to spotlight the reign of terror in their own country. This is very understandable. Over 600 people have been executed in Iran since President Bani-Sadr was toppled in June. On Sunday alone 23 opposition figures faced the execution squads. Simultaneously a further 500 were arrested. The clerical regime is running amok.

For several years now there have been thousands of Iranian students spread throughout the West, a reminder that the much-decried shah nevertheless pursued a generous education policy. Even as they demonstrate and attempt to occupy embassies, they cannot of course influence developments in Iran. They can only--like the chorus in a Greek drama--express horror at the bloody action.

Yesterday they condemned the shah. Today Khomeyni. And tomorrow?

It is difficult to prophesy what will happen in Iran. Behind the several outrages during the summer is the leftist Muslim movement Mojahedin, which has, however, suffered significant losses in the wave of arrests and executions in recent weeks. The students who occupied the residence in Lidingoe claim to represent two other leftist groups, which at least for the time being are playing subsidiary roles in the drama. The Moscow-oriented Tudeh Communist Party is of more interest for the future and it is biding its time in the shadow of Khomeyni. A long and bloody power struggle seems inevitable.

CSO: 3109/238

INITIATIVES UNDERTAKEN TO STRENGTHEN ECONOMY

Oil Exploration in Caspian

Tehran KAYHAN INTERNATIONAL in English 13 Aug 81 p 2

[Text] TEHRAN, August 12 (Pars)

— As announced by the Ministry of Oil of the Islamic Republic of Iran Monday evening, following many months of exploration activities Well No. 1 near Seri Island, in the Persian Gulf half-way between Iran and Dubai a new source of oil for Iran has been struck. The location south of Seri Island is shared by Iran and the Sheikdom of Dubai of the U.A.E. and the oil deposits are said to be quite large. The exploration began after the victory of the Islamic Revolution and was being carried out only by Iranian technicians all along. Dubai has been extracting oil from its side for the last few months.

In another development, the deputy Iranian Oil Minister, Dr.

Ayatollahi along with other Oil Ministry officials paid a visit to the oil industry installations in the city of Isfahan. They inspected the oil depot project of Goldasht which is due to be completed after two months. A sum of four billion rials has been allocated for the project and one thousand workers are engaged in its construction.

Meanwhile, three oil fields in the southwest area of the Caspian Sea will be exploited according to a five-year program and the smallest field's estimated reserves stand at 300 million barrels. By this project about 60,000 people will be employed, said the head of the Exploration and Production Department of the National Iranian Oil Company, Engineer

Mehdi Parsi. Speaking in an interview with Pars, he also said that in their discovery projects in the Caspian Sea, they performed geological operations in 49 regions and selected three areas for initial drilling.

The research operations and the placement of orders of goods and equipment will commence from March 21, 1982 and the drilling operations will start in March 1983. He added that the maximum period considered for drilling each of the wells would be one year and in all three wells will be drilled. Research operations, implementation and drilling of the wells will be carried out over a five year period in the three oil fields.

Increase in Merchant Marine

Tehran KAYHAN INTERNATIONAL in English 17 Aug 81 p 1

[Text]

TEHRAN, Aug. 16 (Pars) — "With the purchase of six cargo ships, the capacity of Iranian shipping will reach 3.5 million tons per year from 1.7 million tons," said Dr. Mohammad Taqi Banki the Undersecretary of the Plan and Budget Organization in an interview with Pars on Friday. Dr. Banki also explained the trip of the Iranian mission to Greece and the objective of the purchase of cargo ships. He said that the Economic Mobilization Headquarters that was established after the Iraqi-imposed war on Iran, in order to counteract the economic sanctions and shortcomings created by the war, decided to increase shipping capacity to meet annual import of 10 million tons of goods to Iranian ports.

"The Iranian mission to Greece purchased six cargo ships made by Hitachi Company of Japan belonging to a Greek company. By the purchase of these ships, the capacity of shipping of the Islamic Republic of Iran will increase 1.6 million tons to 3.5 million tons. The capacity of each cargo ship is 35,000 tons," Banki

added. According to the international standards, every country should accept half of its capacity of imports.

The first cargo ship is due to be delivered to Iran within two and a half months. Iran has purchased these ships for 110 million dollars, and 10 percent of the price has been deposited in a bank as a guarantee of purchase. Mr. Banki added that the Iranian mission also talked with Greek officials about barter trade between the two countries. The Iranian mission in their meetings with Greek officials from the Commerce and Energy Ministries, said the Iranian government was interested in bartering oil with services and ships. Dr. Banki concluded that the decision would be made after necessary study in this field.

Measures Against Misappropriation

Tehran KAYHAN INTERNATIONAL in English 17 Aug 81 p 1

[Text]

TEHRAN, August 16 (Pars) — The Economic Mobilization Headquarters, in a statement released yesterday called on all production, trade and commercial services institutions to record all their business transactions and the relevant invoices in their journals to avoid any sort of misappropriation.

In fulfilling the aspirations of the great leader of the Islamic Revolution of Iran in connection with protecting the rights of the deprived and oppressed masses of society, and following the decision of the Islamic Consultative

Assembly (Majlis) to take measures for implementing Article 49 of the Constitutional Law which requires the government to confiscate wealth and income accumulated through bribery, embezzlement, misappropriation in government contracts and deals as well as all wealth accumulated through illegal activities, the Headquarters in an effort to protect the rights of the oppressed masses of Iran informs the production, trade and commercial services companies of the following points:

1. Failure to keep ledgers, to present invoices and to record business transactions in the ledger

will be considered as an act of misappropriation and income gains through such ways is considered illegal.

2. Due to the fact that the official price of most of the goods has been announced by organizations, all production, trade, import companies as well as merchants services and distribution companies are obliged to record the prices, percentage of profit connected to production, import or sale as well as related invoices. The income gathered through ignoring the fixed prices will be considered illegal and those involved in such activities will be

deal with according to the related regulations.

3. Any income secured through failure to pay the government the due sums, is considered misappropriation of public funds and wealth accumulated through such manners and will fall foul of the above mentioned article.

The statement concluded that the Headquarters will vigorously campaign against profiteering and while controlling the operation of production, trade and distribution units, it will take serious measures for controlling and stabilizing the prices as well as recovering the plundered rights of the Iranian people.

CSO: 4600/167

FRENCH FACE DILEMMA OVER NUCLEAR POLICY TOWARD IRAQ

London AL-HAWADITH in Arabic No 1285, 19 Jun 81 pp 21-22

[Article by Hasan Hamdah: "Israeli Operation in Baghdad Puts French Policy to Critical Test!"]

[Text] In 1962 American intelligence agencies observed that something was happening at the "textile factory" in the Negev Desert near Dimona, and they began to investigate to find out what was going on. They were surprised to learn that what was produced at the "textile plant" had nothing to do with clothes but was a nuclear reactor capable of producing an atomic bomb comparable to the one dropped on Hiroshima!!!!

What stirred up the Americans was the fact that French experts were in charge of training and helping the Israeli technicians to build this reactor and consequently to manufacture an atomic bomb.

At the height of work on the project General de Gaulle decided to terminate the aid and dissolve the contract, but it did not take long before he reversed his decision as a result of pressure from Ben Gurion, and he let things proceed in accordance with the secret agreement between the two governments. Thus Israel built its first nuclear reactor, and then its first atomic bomb, with the aid of France.

In the following year, 1963, violent debates raged among the Israeli leaders over the role of nuclear weapons in the defense of the state of Israel. Two views emerged. The first, under the leadership of Ben Gurion, felt that priority must be given to nuclear weapons in case there was a clash with the Arab states. The second was under the leadership of Levi Eshkol, who felt that nuclear weapons complemented conventional weapons but who gave preference to conventional weapons because they allow Israel to expand and occupy new land, an option that is not available with nuclear conflagration. At that time Eshkol made his famous remark: "We have not said that we will not use nuclear weapons; we have only given assurances that we will not be the first to use them."

Moshe Dayan repeated this remark on the occasion of the outcry that the Israelis stirred up against France last July concerning its programs of nuclear cooperation with Iraq. Dayan's statement came 5 weeks after Israeli intelligence, Mosad, assassinated Dr Yahya al-Mashad, the Egyptian nuclear expert who was directing the Iraqi nuclear program. Al-Mashad was in Paris when Mosad attacked him in his room at the Meridian Hotel and killed him. At the time, Israeli radio commented on the incident by saying: "The Iraqi program to obtain an atomic bomb will be set back by 2 years."

Al-Mashad's assassination in the heart of Paris is the second act undertaken by Mosad in France to delay the Iraqi nuclear program. At the beginning of 1979, a group of Israeli intelligence operatives launched an operation to blow up the core of the nuclear reactor prepared for Iraq near the French city of Toulon. On both occasions, French authorities kept silent.

Only days after the destruction of the reactor on French soil, one of the German magazines printed a front-page interview with one of the Israeli commandos who destroyed the reactor, including a detailed explanation of the operation, which was called ("Bar Levit"). At the same time, the Israeli press violently attacked former French President Giscard d'Estaing and the members of his government, accusing them of "helping Iraq produce an atomic bomb." Also, the major French newspapers, which are controlled by Zionism, then began to publish dossiers and analyses to the effect that Iraq would obtain nuclear weapons, with the aid of France, to destroy Israel. The press was then joined, with varying degrees of enthusiasm, by some groups of the French opposition, including the Socialist Party, which is now in power.

Here the basic question must be raised: Would the new government comply with Iraq's request if Baghdad decided to ask the French Government to repair the reactor and continue the same conditions that were in effect with respect to the percentage of the enrichment of uranium?

Since Mitterand first took over the presidency and formed the new government, statements have been issued by the ministers of foreign affairs and economy offering assurances that the government would be bound by commitments made by previous governments according to the principle of continuity of organizations. Ministers Claude Cheysson and Jacques Delors did not hesitate to confirm that France would adhere to the implementation of agreements of cooperation with Iraq in the field of nuclear energy. These agreements are actually under the jurisdiction of the Ministry of Foreign Trade, which is headed by Michel Jobert, who is known for his friendship with the Arab states. His inclusion in the government is considered doubly appeasing: internally to appease the moderate right and externally to reassure the Arab world first and then the rest of the Third World.

In an interview with one of the French newspapers, Jobert confirmed that "the word of France must be its continuity." All of this indicates that candidate Mitterand's reservations with regard to the atomic agreements with Iraq do not affect the cooperation between the two countries and the completion of the nuclear project, which began in 1975 when Jacques Chirac was head of state, in spite of insistence by the Israelis (Begin or Peres, President Mitterand's friend) that the project must be stopped.

However, the Israeli raid on the Tammuz installations, which was condemned by President Mitterand personally and also by the head of government, Mauroy, and the Ministry of Foreign Affairs, introduced a new factor into the situation that may change the meaning of the continuity of which the French senior officials had previously given assurance.

This change in meaning may affect the degree of enrichment of the uranium (now a maximum of 93 percent), which can be altered in the reactor. The French authorities may resort to this, as can be seen in two statements, the first by Premier Pierre Mauroy and the second by the French Ministry of Foreign Affairs.

In his reply to a question from journalists during a press club interview on the "Europe 1" broadcast on the evening of Monday, 9 June, after Mauroy had condemned the Israeli attack on the Iraqi nuclear installations, he said: "We are determined to strengthen supervision of nuclear facilities, relying on a policy of pulling back in circumstances that might extend this type of competition in a difficult and explosive area such as this one."

A statement by the French Ministry of Foreign Affairs includes a sentence of the utmost importance: "Since he took office, the president has hoped to confirm that it is necessary to take steps to assure that these facilities are used for peaceful purposes and to avoid any change in the direction of their use."

From these two statements, one notes a kind of lack of confidence in the nature of the supervision exercised by the experts by the International Atomic Energy Agency [IAEA], although the substance of the Foreign Ministry's statement indicates that this agency is doing its duty in supervising the proper use of the reactor. This apparent contradiction can be attributed to the appearance of conflicting opinions among nuclear scientists over the capability of the Tammuz installations. The director of the IAEA, Mr Eklund, confirmed after the Israeli attack that the quantity of enriched uranium supplied to the Iraqi installations by France weighed 13 kilograms, not enough to build an atomic bomb, which requires 25 kilograms of 93 percent enriched uranium. Many scientists share Eklund's view. However, a number of other researchers and experts feels that this quantity (13 kilograms of 93 percent enriched uranium) is sufficient to build the bomb if combined with the quantities present at Tammuz 1 and Tammuz 2. This dispute became clear in the debates on French television among experts in the field of atomic energy. It appears that the French Government is inclined to take the second view, and this means that the French authorities may adhere to the idea that the percentage of enrichment of the uranium must be lowered so that it is impossible to modify use of the reactor to manufacture an atomic bomb. Note that the director of the IAEA confirmed reports indicating that Iraq will not be able to make a bomb for 10 years. However, will the Iraqis be content with that?

In 1979, when a group of Israeli commandos destroyed the heart of the reactor near Toulon, the government of President d'Estaing offered the Iraqis a modification in the contract, substituting a favorable conversion rate of a type of uranium weaker than that specified in the basic contract (93 percent). The Iraqis rejected the offer because they felt that it involved new delays at a time when the Israelis were trying to take advantage of the time factor. This is what the Jews said after they assassinated Dr Yahya al-Mashad, and this is what they said after the recent raid on the Tammuz installations. Professor Yuval Ne'emann, a top Israeli scientist in the nuclear field, commented on the recent operation by saying: "We have succeeded in delaying the Iraqi nuclear program for 3 years."

The government of former president d'Estaing had broached with Pakistan the subject of changing their contract and substituting weaker uranium, as a result of pressure applied by Henry Kissinger on the French president in 1976 to prevent Pakistan from producing the atomic bomb. However, the Pakistanis rejected the proposal and expressed indifference. They turned their backs on the French officials, placing their confidence in their senior scientist, Dr 'Abd-al-Qadir Khan, who had succeeded in learning how to enrich uranium by centrifugation. 'Abd-al-Qadir Khan, who studied at the German-Dutch-British Academy for Atomic Research (URENCO), was able to

build the unit necessary to permit enrichment of uranium to the degree necessary to build an atomic bomb. It should be noted that officials in the tripartite Academy for Atomic Research did not think at that time that 'Abd-al-Qadir Khan, who was married to a Dutch woman and wanted to obtain Dutch citizenship, would return to his country. They thought he would remain to work at the academy, and thus they made it easy for him to learn the secrets of the "centrifugation unit."

The Pakistanis succeeded in purchasing uranium from the Arlit mines in Niger, of which the French exploit 47 percent, the Nigeriens 35 percent and the Italians and Germans 12 percent. The Americans became furious when they learned of this because the (Kujima) organization, which represents the French in their uranium mine investments in Niger, is headed by Jacques Giscard d'Estaing, the former French president's cousin. The Kujima organization is a subsidiary of the French atomic energy organization, in which Jacques Giscard d'Estaing holds the position of fiscal director. This means that the sale of Nigerien uranium to the Pakistanis took place with the knowledge and approval of President d'Estaing!!!

In this way, the Pakistanis started their nuclear program, and it is no longer strange for General Zia-ul-Haq to say: "Our nuclear programs now are directed entirely toward nonmilitary purposes, but if circumstances forced us down the path of the atomic bomb then we would take it."

Could Iraq today follow in the track of Pakistan? It is difficult to answer that in view of the tight secrecy that surrounds this type of industry and in view of the absence of the French component that was available to the Pakistanis.

The French today are subject to direct pressure from the Israelis and from the Arabs at the same time. By virtue of the Israeli attack, the question of the Iraqi reactor entered the mainstream of France's relations with the Arab world as a whole and is no longer restricted to Iraq and France alone. The issue of the reactor has turned into a central issue in the Middle East struggle, and consequently it has become a test of French policy.

Here the French may ask that the door be reopened to negotiations on this central issue. Reopening negotiations requires a period that may be drawn out while the French negotiator tries as far as possible to satisfy both the Arabs and Israelis. The French have more than one weapon to ease their obligations. For example, they may try to make the Iraqi-Iranian war an obstacle to a quick solution to the issue of the reactor, as the former French authorities did in 1979 after the destruction of the core of the reactor near Toulon. The French may also stick to the argument that the state that is host to the nuclear reactor must guarantee the security of these installations to protect the safety of its citizens. This in fact is a general Arab responsibility transcending the responsibility of the Iraqi Government. What Israel fears is that the knowledge will spread among the Arabs, and they will enter the nuclear era.

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CSO: 4304/55

BRIEFS

IRANIANS RETREATING--Baghdad, 4 Sep (INA)--An Iraqi News Agency INA correspondent quoted a military commander as saying that his forces are chasing the remnants of the defeated Iranian troops at the northern sector of the war front. The commander, whose forces have repulsed a major Iranian offensive at Sar-e Pol-e Zahab area in which more than three thousand Iranians were killed, said that the Iraqi forces at this area are in complete control of the whole situation and the initiative is firmly in their hands. The INA correspondent said that he saw a number of Iranian soldiers who had fallen captive, while the AL-THAWRAH daily published photographs from the battlefield showing several of these captives. Yesterday, the high command of the Iraqi Armed Forces said that a large number of Iranian troops were taken captive after three days of fierce fighting at Sar-e Pol-e Zahab in Kermanshah Province. [Text] [JN041322 Baghdad INA in English 1250 GMT 4 Sep 81]

ARMY FIGHTERS--Baghdad 2 Sep (INA)--More than 40,000 fighters of the Iraqi Paramilitary Army, known here as the Popular Army, have been stationed along the battlefield over the past year of war action against Iran, the commander-in-chief of the Popular Army Mr Taha Yasin Ramadan said today. "The fighters, mainly engineers, employees, labourers and other administrative personnel, have been placed under arms at various sectors of the war front on shift basis so as to improve their combat preparedness and provide opportunities for all fighters to contribute into the war effort of this battle of honour," Mr Ramadan added. He explained that the front had always accommodated 40,000 fighters throughout the past 12 months on shift basis. Mr Ramadan, Revolution Command Council member and first deputy prime minister, was talking to the Iraqi News Agency (INA) marking a year of war operations for the Popular Army, against the Persian enemy. He said those fighters had played an active role on the battlefield and other areas of work and production which "make us more faithful and confident in the future and the potentiality of our people." The Popular Army has immensely benefited from the 12-month-old experience of war action and consequently will improve its capacity within soundly-safe scientific guidelines along with the principles of the Arab Socialist Ba'th Party, Mr Ramadan concluded. [Text] [JN021340 Baghdad INA in English 1320 GMT 2 Sep 81]

KAMADAN VISITS POPULAR ARMY Taha Yasin Ramadan, Revolution Command Council (RCC) member and commander of the popular army, visited the popular army training camp in Baghdad's al-Rasafah district today. During the visit, the popular army commander inspected the training exercises that are preparing the combatants to take part in Saddam's victorious al-Qadisiyah against the racist Persian enemy. The training develops their fighting capabilities and ensures their effective participation on the battlefield. During his meeting with the camp's commander, Taha Yasin Ramadan stressed the need for intensive efforts in training the combatants so they will be able to carry out their duties in the upcoming stage of our just battle against the regime of the imposter Khomeyni. They should also be prepared to serve with their comrades and brothers in the armed forces in preserving and reinforcing the victory and in achieving new victories in the second al-Qadisiyah of the Arabs, the al-Qadisiyah of Saddam. Taha Yasin Ramadan, RCC member and commander of the popular army, was accompanied by Comrade Samir Muhammad 'Abdal-Wahab, commander of the Baghdad district for the popular army, and a number of the officials of the popular army general command. [Text]
[GF031344 Baghdad Domestic Service in Arabic 1130 GMT 3 Sep 81]

CSO: 4304/137

KNESSET MEMBERS DISCUSS POSITION OF MIDEASTERN JEWS

Tel Aviv DAVAR in Hebrew 10 Jul 81 pp 15-23

[Pre-election interview with four Knesset members of Mideastern extraction, Shoshana Arbeli-Almozlino (2nd on the party list), Rafi Adari (General Manager of "Shikun"), Shlomo Hilel (former Minister of Police) and Aharon Nahmi'as (Mayor of Tzefat), by DAVAR staff reporters Chana Zemer and Yoram Peri; date and place not specified: "The Alignment Is not Ashkenazi"]

[Text] On the eve of the Knesset elections and in the aftermath, the claim was often made that "the Labor Alignment is an Ashkenazi party." However, in this election as in the past, a significant proportion of Ashkenazi Jews voted for the Likud. It appears, however, that the ratio of Mideastern Jews supporting the Likud was double that of those supporting the Alignment. This disproportion stands out all the more in light of the fact that there were significantly more Mideastern Jews represented on the Alignment's list of Knesset candidates than on that of the Likud. The reasons for this phenomenon and other characteristics of the ethnic vote were the subject of an interview conducted by DAVAR staff reporters with four Knesset Members from the Alignment who are of Mideastern decent: Shoshana Arbeli-Almozlino (2nd on the party list); Rafi Adari (General Manager of "Shikun"); Shlomo Hilel (former Minister of Police); and Aharon Nahmi'as (Mayor of Tzefat).

DAVAR: How do you explain the disproportion between the representation of Mideastern Jews within the Alignment and your support from within this sector? Perhaps it is true that this representation is not sufficiently "authentic." Perhaps you're not authentic...

Aharon Nahmi'as: I deny the labels that have been applied to the ethnic vote. I deny, too, the claim that the Alignment's list included ethnic representatives who are not accepted within their own communities. The issue is not one of setting someone up as an idol of the Mideastern population. And it's nonsense to think we have to line someone up against David Levi.

DAVAR: When the Likud was elected, it was not for Levi but for Begin that people voted.

Shlomo Hilel: True, so we must find an answer to Begin.

Nahmi'as: In the end, there are no set voting patterns attributable to the Mideastern Jews. We should examine the reasons why people voted as they did in this particular election. It is important to note that representatives of the Mideastern Jews from the Alignment were not intended to be contractors for that vote, just as Ashkenazi representatives did not act as contractors for the Ashkenazi vote. One must find the real reasons behind the vote.

DAVAR: Election studies show that since 1965 Mideastern Jews have voted in increasing numbers for the Likud. In 1969, for every two votes cast by the Mideastern population for the Alignment, one vote went to the Likud. In 1973, the ratio was 1:1, and in 1977, for each vote in favor of the Alignment two were cast for the Likud. This time, the gap may be even larger.

Rafi Adari: I don't accept the statistical analysis that has been performed here. We do not yet have the final results, so any analysis of the 1981 elections is premature. We must wait for the release of complete data in order to arrive at such conclusions. As for the question of whether we are representative or not--the labor movement gave better representation to the Mideastern Jews...

Shoshana Arbeli-Almozlino: Why do you say "gave"? They were voted in.

Adari: True, I prefer the word integrated. Shoshana was No 2 on the party list for the Knesset. I'm No 7 and Shahal is No 8. But the question is, were we allowed to make public appearances during the campaign?

DAVAR: Didn't you make public appearances?

Adari: Of course we traveled around the country making appearances, at assemblies and gatherings in private homes. But I mean appearances in behalf of the Alignment, in particular on television and radio. They made "shorts" about several of the people sitting here, but they were never shown. And when we toured the country the people asked: "Where have you been? Are they hiding you?"

Shoshana: My profile was shown once on television for 30 seconds.

Hilel: I wasn't interviewed either on television or on radio, and when they photographed the political leadership, you could see a big pipe and a big cigar, but all you could see of me was the top of my bald head.

Shoshana: When the Alignment put together the various election committees, there was a committee for neighborhoods and development towns. We decided that it was preferable to work together in the integrated framework of the party. But a separate committee was established and what happened? They neutralized it by not providing the apparatus and the means required.

Hilel: There is representation, but it is reminiscent of children in poor families who are shunted off into back rooms so as not to be seen when guests arrive. They're hidden under the table. They're an embarrassment. This was the reality of the election campaign.

Shoshana: It should, however, be clear that the Labor Party is not Ashkenazi. In the roll call preceding the last convention, Mideastern Jews accounted for 50

percent of the roll. Within the center of the party, they represent 38 percent, and they were elected by everyone.

Adari: When branch elections are held everything is fine. But the strength of the Mideastern Jews decreases at the level of the organizing committee. Only 7 of the 74 members of the chamber are Mideastern Jews.

Shoshana: Sixty percent of the secretaries of workers councils are Mideastern Jews, not only on new settlements but also in more established locations such as Bat-Yam, Hulon, Hertzeliya, Hedera, Tzefat, Tiberias and Netanya. The same is true for the mayors and local councils. We should not minimize the extent to which this leadership has grown. It therefore hurts to see that the Mideastern Jews have, in the main, given their votes precisely to an anti-workers party which will abuse them. The problem is not ethnic but class oriented. The further you descend into the lower economic brackets, the more Likud supporters you find, despite the fact that it is precisely for these groups that we, as a Zionist socialist party, are struggling. In this area our propaganda was seriously lacking.

DAVAR: Based on preliminary data, about one-third of the Mideastern Jews voted for the Alignment, but this third was neither seen nor heard. Is this because those who voted for the Alignment were embarrassed by their choice?

Hilel: No. The explanation has to do with style. Our public, both Mideastern and Ashkenazi, is not boisterous, brutal or crude, like the Likud supporters.

We must analyze what happened and why it happened, and from there seek answers to problems, the principal one being to promote a feeling of integration and belonging among Mideastern Jews. We don't always understand that this is a process which encompasses all facets of life. We dealt with each facet as it surfaced, and we thought that each solution would solve the whole problem. But a new problem would crop up immediately. First it was the problem of guaranteeing "bread and work" and we thought we solved that. Then the problem of housing came up. So we said we'd increase the area of each housing unit. But this was not sufficient. They wanted visibility within the party, too. So we promised them representation in the Knesset and we thought that this was the solution. But the process did not end there. Now there is a demand for integrity in the life of the country, the Histadrut and the party. The question of where we are in the party leadership is being raised. To this we did not respond.

DAVAR: But why did all this result in an ethnic vote for the Likud? Do they have better answers?

Hilel: Some were votes of protest against the Alignment. Some were taken in by the demagogic style of the Likud, as we have seen with other groups. And there are those who still see the Alignment as the source of all that was and is, because the Alignment brought them to Israel and took them in.

DAVAR: Are you saying that the Alignment is still seen as the "system" and the Likud as the opposition?

Hilel: Yes. The new immigrants related to the Alignment as home, and your expectations of your family are far greater than your expectations of strangers. Their attitude toward the Labor Party was stronger and less subject to change.

It was difficult for us to understand how people from Bet-Sh'an, Tiberias, Qiriyat Shemona, or workers in kibbutz-owned enterprises could vote for the Likud. But the reason is clear. Their expectations of the Alignment are completely different than those they have developed for Erlich and Mod'ai. We told them: The kibbutz members are your brothers. Erlich and Mod'ai are strangers. And a man feels more hurt when his brother doesn't treat him well.

Shoshana: In this regard, something terrible has happened. A while back, the settlement movement responded to a call to develop local enterprises and industry on the kibbutzim in order to create more jobs. Now they are being met with open displays of hatred. It is shocking to read the venomous manifestos posted in Qiriyat Shemona and other towns. This is the kind of agitation initiated by David Levi and successfully developed by the Likud on fertile ground. What is this fertile ground?

We cannot view the workers in such enterprises only at the level of the employer/employee relationship. The kibbutz movement should relate to them beyond this level. They should establish ties of a different nature throughout the year, not just on the eve of the elections. They should visit each other, celebrate events together and conduct joint study days.

Further, one must remember that salaried workers in the industrial enterprises of the settlements have no chance for advancement, because the management positions are reserved for kibbutz members. When I spoke with a project manager about this problem, he told me: I don't get involved in politics. And I say that it is up to the kibbutz movement to rethink its position on this issue, to change its policy or to turn the enterprises over to other hands.

Hilel: One evening I attended a meeting of a particular local enterprise. They had gathered all the workers, who lived in the development towns, into the kibbutz auditorium. When I entered the auditorium, one of the workers said to me: "This is the first time I've been in this building." I could have answered: "And have you been in Erlich's home?" But I knew that he had no such expectations from Erlich. On the other hand, we tell him: The kibbutz is your home. There are no differences between you, the worker, and the kibbutz member. Both of you are members of the same institution." We then feel the revenge of that which we ourselves have cultivated.

Adari: The economic situation was not at the heart of the debate during the election campaign. We allowed the Likud to go off in its own direction. The Likud tried to say that Begin represents the neighborhoods, the developing towns and the Mideastern Jews. They succeeded at this to no small degree--with our help. Over the last few months we came to see ourselves as the system. Some of us even had suits made to order. That's how what happened happened. We didn't try to understand that it was possible to convince part of the populace that shouted "Begin, Begin" to change their minds. We concentrated our efforts on supporters

of the Democratic Movement for Change. We could have made an effort to bring over to our camp those who had no ideological tie with the Likud, but rather with Begin. We didn't.

It is true that representatives of the Mideastern Jews appeared on the Knesset list. But was anything done beyond that? There was representation within the party leadership, with five ministers and one deputy minister...

Hilel: Seven people, because it was also announced that the deputy prime minister...

Nahmi'as: And two ministers from Mapam, which makes nine...

Adari: But did the Mideastern Jews have a voice in this cadre? When representatives of the Mideastern Jews ran in local elections they did very well. Nahmi'as received 62 percent in Tzefat and Jacques Amir did equally as well in Dimona. At home, Rafi Suisa received 48 percent of the vote, but what happened during the propaganda campaigns for the Knesset elections? These people were hidden. If the party had the sense to put them on the Knesset list, why weren't they given a forum. There was time for a broadcast about geese, but there was no time to let us present our economic plan. And later, at assemblies, they asked: Why don't we see you? It was a mistake not to provide a forum at which to present the representatives of the Mideastern Jews. And I don't accept the idea that only someone living in a large family in a one and one-half room apartment in a development town should represent the Mideastern Jews.

One other point: the Alignment, in directing its propaganda toward voters for the Democratic Movement for Change, did not have the wisdom to point out the government's oversights in terms that the whole population could understand.

Shoshana: I agree. The style was not popular. Sophisticated words are not always effective. And I agree with the claim that our propaganda was aimed at bringing supporters of the Democratic Movement for Change back to the Alignment, which it did. But there was no propaganda directed toward those social classes which are made up by Mideastern Jews, where social content has meaning. Twice I went to the public relations staff and said: I bring you a message from the field. You're heading in the wrong direction. I made several comments. Some they accepted, most they did not. They did not accept my claim that social issues, in those areas where our achievements were greatest, should be raised and contrasted with the lack of action on the part of the Likud. And they didn't answer me as to why they weren't giving exposure to Knesset members who dealt with those issues.

I would also like to respond to the question of whether we are "authentic" or not. There is no blow worse than to ask if we represent the Mideastern Jews. Are Knesset members from Poland asked if they represent Polish immigrants? We represent the population at large, not just ethnic groups, and the esteem we generate does not come from the Mideastern public alone.

DAVAR: Maybe your success in this area is the source of the problem. When you represent the whole, the Ashkenazi accepts you, too, causing others to reject you as their representative.

Shoshana: I don't accept that division. The Mideastern Jews accept us and vote for us, too. We don't need to analyze the election results. We should rather look for the source. The national consciousness of the Mideastern Jews, for example, is well developed. Therefore, the Begin/Likud policy was close to their heart. As further proof, you may note that there are few Knesset members of Mideastern descent in Mapam, Sheli or the Communist Party, with all the differences among them. On the other hand, the Mideastern Jews did support Ben Gurion and Ahdut Ha'avoda, because they espoused an activist party line. Therefore, the bombing of the nuclear reactor in Iraq, the downed helicopters in Lebanon, and Begin's warning to Assad to beware of Commander Y'anosh and Chief of Staff Rafal were influential this time. His hard line position against the Arabs found favor in the eyes of a public which prefers strength to weakness.

Also, the Mideastern Jews as a people are traditional. They believe in religious values which cannot be changed. Therefore the anti-religious proclamations of some party members alienated us from this public. Our leadership must know that it can't form a government without the religious parties. And in general, the anti-religious stand is not that of the party. These were not decisions adopted at the convention. Many of our members are observant Jews, and the declarations of members who did not adhere to the party line did cause damage.

Nahmi'as: Shoshana and I were opposed to the party's decision to support the demands of reform and conservative Jewry. We felt that the reformed and conservative Jews vote abroad and that as a political party we must address our voters here. To them, tradition is important. Voters from the NRP switched to the Likud because of the skullcap on Begin's head and his use of the phrase "God willing."

Ben Gurion did not wear a skullcap. But he understood the importance of tradition. He frequently quoted the Prophets and the Bible. The expression "A guiding light for the goyim" was practically identified with him.

Shoshana: The Likud succeeded to imbue the Mideastern Jews with the idea that their difficult situation was the outcome of 29 years of Alignment rule, and that four years wasn't enough to change that situation. We weren't able to root out this feeling with our propaganda. Nor did we succeed at publicizing the enormous social gains accomplished from 1969-1977, during which time there was a dramatic reduction in the gaps between classes, and poverty was almost eliminated. On the other hand, during the Likud's rule, these gaps became broader and poverty increased. This is based on official data from the Social Security Administration.

DAVAR: Why has so much fuss been made over the use of derogatory expressions? After all, when we say things like "Polack" and "Kraut" in reference to Ashkenazi Jews it's far from earthshaking.

Nahmi'as: When I first heard the word "Chahchah" [derogatory slang for oriental Jews] I didn't know what it meant. I thought it was a word in a local Arab dialect, so I went and asked my mother, but she didn't know. Then I went to my "dictionary," my son who just finished the army half a year ago, and he explained it to me. There is some justification for wondering why it has taken on so much importance. But, it should be understood that the expression was brought to public consciousness by the prime minister's dramatization of it. Making an issue of it at a national assembly, building an ideology around it,

therein lies the tale. The gravity of the issue comes from the fact that it became a tool in Begin's hand. He exploited it and is directly responsible for its interpretation.

One should remember that the Mideastern Jews are very sensitive about the issue of pride, myself included. We should not make light of this. They are proud of being Jews and being Israelis. So their ego was strengthened by the bombing of the nuclear reactor in Iraq and by the strong stand Begin took against the Arab nations. I'm sure the same was true for many people of European descent, the Holocaust survivors, regarding Begin's remarks to Schmidt.

Another factor which should be taken into account and which we have not yet mentioned is election bribery. The affluent were less influenced by this. They already had their color televisions. 'Aridor's election economics influenced precisely the weak sectors, i.e. the Mideastern Jews. In our propaganda, we did not have the good sense to talk about the closing of food programs in schools, the cutbacks in pensions to senior citizens, the tragedy wrought in 3 and one-half years upon those of limited means. We did not manage to draw out the Likud's vulnerable points. But they managed to capitalize on their strengths.

Now in the aftermath of the elections, we hear talk of the federal budget collapsing, and it is not the Labor Party who's talking about it but economists within the treasury department. Now, however, the ballots have already been counted.

Shoshana: Begin attacked me for not responding immediately to the statements made by Dudu Topaz when I was present at the general assembly. We only went up to the speaker's platform at 1900 and we hadn't even heard his remarks. The following day I went to Ofakim and still didn't know a thing about it. I was informed only after Begin exposed the issue at the Likud's assembly. The fact that they had an entertainer at the Alignment's convention was a serious mistake. Had I heard his comments on "Chahchahim" I would have gone up to the stage, taken exception with his remarks, and asked him to leave the convention. But that is far from condoning the fact that the prime minister exploited such remarks for purposes of demagogic agitation. When I heard Begin, I was shaken. I would hope that this will not leave scars, that the public will analyze what was said and in what context, and that they will not feel that this was an insult to them.

Hilel: A word, like a blow, does not hurt in direct relation to its strength, but according to the sensitivity of the area that's wounded. If the nerves are not exposed, it's not so bad. But someone who strikes out without being aware of the sensitivity level of the target area is like a bull in a china closet. And I'm speaking of the various remarks that were made during the election campaign. Sensitivity demands that any intelligent man weigh his statements.

DAVAR: Do you consider three seats for TAMI to be a gain?

Nahmi'as: If there was an ethnic vote in this election, it should have gone to TAMI. The fact that TAMI captured only three seats indicates that the ethnic movement was not successful.

Adari: TAMI really failed.

Hilel: It's not a failure and not a success. TAMI worked on the periphery of the NRP, and succeeded within this periphery.

Nahmi'as: On the other hand, the labor movement deserves brownie points for its ability to castigate itself. To have grown from 32 to 47 seats is truly a victory.

DAVAR: The election results can be interpreted as a failure. Not only did the Alignment fail to form a government, it also failed to take voters from the Likud. The Alignment only managed to draw votes from those parties with whom it could have potentially formed a coalition.

Hilel: Our failure lies in the fact that we allowed false criticism to harm us relatively easily. If I had thought that the criticism was true, I would have said so: So be it. What happened, however, was that we were like plaster. Whatever you throw on it sticks. We are not an ethnically homogenous party, but due to a lack of sensitivity, due to derogatory remarks, because the party leadership appeared unresponsive, we allowed unjust claims to stick.

There is a very deep feeling of alienation from labor administration, the majority of which is "free" of Mideastern Jews. The worker's associations must be opened to Mideastern Jews. This is one area that David Levi can use to make stabs at the movement, because the feeling of the worker is not one of a man whose enterprise belongs to him.

But, most of the insinuations against us were unfounded. Such is the case, for example, in the political sphere. I'm convinced that the Labor Party's platform is accepted by the majority of the people, including the Mideastern Jews. It is not true that as a party we want to sell out the nation. But the way in which we presented our platform was conducive to having false ideas attributed to us.

DAVAR: Isn't there a need to establish understanding among the ethnic groups themselves? I've also heard that Labor is an "Iraqi party."

Adari: The Iraqis and Yemenites have had greater representation because they immigrated earlier to Israel. It is only natural for them to have secured leadership positions more rapidly.

DAVAR: It's like the imbalance experienced by the Russians with regard to the Ashkenazis. Because they settled earlier they secured the best positions.

Adari: Today's party is for everyone. It is true that the party did not have the sense to give representation to Mideastern Jews insofar as organizational-economic posts. I was the first member on the executive board of the worker's association, and for the sake of comparison, one should note that it has only been in the last few years that Mideastern Jews have been represented on the managerial board at Kur, Solel-Bone, Bank Hapo'alim, etc.

I remember the first election convention I attended. It was in Hatzor in 1959, 2 years after I immigrated to Israel. There was no electricity yet, no roads, and Begin appeared at the convention and talked about funds which Israel was receiving from abroad. As at other conventions, he turned and directed questions to people in the audience. "Did you receive \$10,000 from America? And you, did you receive

your money yet!" And later he continued, "Dear public, my brothers and sisters," (of course everyone is his brother), "today there is no electricity. Tomorrow, when Herut is in the government, there will be great light in Hatzor."

Shoshana: It is interesting that I heard him say the same things at the time in Ramat-Gan...

Adari: In this year's elections, Begin continued to delude, brainwash and throw sand in the eyes of the people. He said, for example, that during the 4 years of Likud government 190,000 apartments were built. The truth is that in terms of public housing, 40,250 units were built and about the same number of private housing units. How did he arrive at the 190,000 figure?

Further, during the Likud's rule the price of apartments rose by 2,000 to 3,000 percent, compared with the overall inflation rate of "only" 1,198 percent. There are 38,500 young couples with certificates of eligibility still waiting for apartments. Those are the facts. Unfortunately we hired too many advisors on our election staff and not enough people to visit neighborhoods and development towns, people knowledgeable about the realities of the situation.

Shoshana: The Mideastern Jews have no commitment to the Likud. Half a year ago they wanted to change the government. Their vote was influenced by 'Aridor's tricks, by the bombing of the reactor and by other factors which have already been mentioned. As far as the future, the crucial question is whether we will do enough to promote integration. There has been economic progress. But, we have not gone far enough in the area of education. And another area where we lag is representation at the highest level. In the years to come, we must reexamine the means for advancing in these two areas. And if we do this, we will repatriate the Mideastern Jews to their natural home--the Alignment.

Finally, we come to the problem of political education. Those who came from Europe, from places where there were political parties, have developed political consciousness. They had received a political education. Such was not the case in Asia or Africa, where there was no democracy, no awareness of professional struggle. These immigrants are not immunized against the Likud's socialist demagoguery. For years this worked in our favor, but later it turned against us. When we neglected to teach values, when we stopped cultivating the cadres, it was the beginning of our troubles. Who sits in the government? Former members of youth movements and underground movements who were politically educated. A new generation of leaders has not been educated to replace them.

Adari: When we immigrated to Israel we sang, "We came to Israel to develop and to be developed." We came from 70 nations in the Diaspora to be one nation. This last election campaign turned the clocks years backward and I lay all the blame on the Likud.

Nahmi'as: When we went to the polls we each voted as individuals. Now we need to pray together for national solidarity, to heal the wounds left by the election campaign. We must accept the outcome of the democratic process as expressed at the polls, and we must preserve our unity, which is more important than anything else. The Alignment must forge a new apparatus for the future, because in the end, its ideology is the best for the Jewish people.

VOTING PATTERN OF YOUTH DISCUSSED

Tel Aviv HA'ARETZ in Hebrew 8 Jul 81 p 9

[Article by Professor Shevah Weis: "The Voting Populace, 1981; the Vote of the Younger Generation"]

[Text] In 1977, according to all available indications, the young voters preferred the Likud, the Democratic Movement for Change and the small radical movements to the Alignment. One indicator was the IDF vote: 44 percent of the voters in the IDF supported the Likud, around 26 percent supported the Democratic Movement for Change, and only about 22 percent supported the Alignment. In tens of secondary schools which conducted "mock elections," the Likud and the Democratic Movement for Change won impressive victories.

During the last few weeks there have been numerous indicators of a certain change in this trend. In most schools where mock elections were held, the gap between the Likud and the Alignment was significantly reduced. Similarly, Tehiya has found a significant position within the younger generation. Tehiya gained more support within this sector than the radical parties. The younger generation is now indicating a national-nationalistic wave, and as previously mentioned, the Alignment is more popular now than in 1977.

These trends within the younger generation significantly influenced the outcome of the elections. The Israeli electorate is especially young, with 29.5 percent between the ages of 20 and 29 (!), and another 20.5 percent within the 30-39 year old bracket. If we add the 18-20 year olds, we would find that around 55 percent of the voters are young or very young. There was every likelihood that the improved status of the Alignment within the younger generation would show up in the results of the 30 June elections. We do not yet have a clear and unequivocal breakdown of the younger generation's vote. But there are nonetheless definitive signs indicating greater support for the Likud and Tehiya than for the Alignment.

In the past, it was possible to use information disseminated illegally about the IDF vote. This time, it was only possible to obtain such information indirectly. Without explaining the technique, I can determine that IDF soldiers again demonstrated a Zionist, national and nationalistic trend.

We have at our disposal the results of surveys conducted among many students at Haifa University, the Technion and Tel Aviv University's School of Law. These

surveys were conducted on the eve of the elections and indicate the following predilections:

- About half of the students intended to support the Likud or Tehiya
- A portion of the students had decided to switch their support from the NRP to the Likud
- A portion of the students who had in the past supported the Democratic Movement for Change decided to support the Alignment this time, but some were leaning toward the Likud

In addition, we have at our disposal the findings from simulated games conducted in 35 secondary schools throughout the country. More than half of the students supported the Likud, around 15 percent supported Tehiya, and only around 35 percent voted for other parties. If within the adult population the Alignment absorbed almost all of those voters who had previously voted for the Democratic Movement for Change, within the younger population the breakdown was quite different.

For both the adult and youthful voters, the breakdown between the Alignment and the Likud was according to these general lines:

- Among Jewish voters, support for the Likud rose above that for the Alignment;
- Among Mideastern Jews there was an absolute majority for the Likud;
- Among the young voters, support for the Likud and Tehiya was greater than that for the Alignment;
- Among senior citizens support for the Alignment surpassed that for the Likud;
- Among middle and upper class voters support for the Alignment rose decisively over that for the Likud;
- Among educated voters, support for the Alignment surpassed that for the Likud;
- Among all lines of the kibbutz movement support for the Alignment was absolute, reaching almost 90 percent;
- On the older, more established cooperatives support for the Alignment was very high;
- On new cooperative settlements, established after statehood by immigrants from Islamic countries, support for the Likud was high, occasionally above that for the Alignment;
- Among the minorities, support was divided between the Democratic Movement for Change and the Alignment, with a strong proclivity toward the Alignment.

A continuation of these trends will mean the demise of the labor movement, because the future hinges demographically on the youth and ethnic vote.

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CENTRAL BANK PUBLISHES ANNUAL REPORT

Amman AL-DUSTUR in Arabic 22 Jul 81 p 5

[Article: "In the Annual Report for the Jordanian Central Bank: Strengthening Confidence in the National Economy; Higher Production Rates; Bigger Surplus in the Balance of Payments; Increased Size of Foreign Trade"]

[Text] The Jordanian Central Bank issued the annual report for 1980. The report gave the economic situation through 1980, which was distinguished by increased activity in the growth planning field, by virtue of the fact it was the last year of the 5-year development plan, 1976-80. This activity was evident in the work of committees and forums, whose meetings were intensified during the year. They participated in evaluating the current plan's accomplishments, and in establishing the philosophies and goals of the next growth cycle (1981-85).

As regards the Jordanian economy's level of performance, during the year under study, it could be said that it was the continuation of the high production rates, for which the Jordanian economy has strived during its long development journey, and which is represented by the high growth rate in both the local and national production, the increase in the distribution of the production base, the expansion in financing by the banking system, the increase in governmental revenues from local sources, and the achievement of a surplus in the balance of payments.

Available information indicates that the averages of economic performance, achieved during the past 5 years, were comparable to the averages which the 5-year developmental plan (1976-80) were targeted against, since the annual growth rate in total local production, based on 1975 prices, amounted to about 10.5 percent, compared to a growth rate estimated by the plan at 11.9 percent. On the other hand, growth rates achieved in the gross national product, during the plan's period, amounted to approximately 13.4 percent, compared with the estimated rate of 11.5 percent, which the plan had targeted. This growth was reflected in all economic sectors in Jordan, which led to an increase in the individual's median income, in commercial prices, from 185 dinars in 1975, to 482 dinars in 1980.

Mention must be made here that the credit for higher levels of performance, which were achieved by the Jordanian economy, aside from efforts expended by the public and private sectors, should go to the factors of stability that Jordan bestowed in terms of confidence in the Jordanian economy, domestically and abroad, to the national work force, the security of the international reserves situation, which the kingdom owns, and which reflects the foreign financial influx, in terms of remittances from Jordanians working abroad and assistance from sister Arab nations.

From the study of available statistics, regarding the various trends for changes in the economy in 1980, it is possible to delineate the growth dimensions which were achieved, during the year, as follows:

1. Total domestic production, at the cost rate, registered a growth percentage of 21.7 percent. This was thereby increased to 762.4 million dinars by the end of the year. All economic sectors achieved this growth percentage, since growth rates fluctuated between 12.3 and 45.5 percent in the commodities production sectors, and between 4.7 and 5.0 percent in the services sectors. In view of the rapid rise of growth rates in the commodity production sectors, during the past 5 years, their participation in total local production rose from 34.1 percent in 1975 to 37.3 percent in 1980, whereas the service sectors' share declined from 65.9 percent to 62.7 percent, during the two comparable consecutive years.

On the sector level, the agricultural sector achieved a tangible improvement, since the income generated from it grew 34.2 percent, compared to a decline of 25.6 percent in 1979. This improvement in the agricultural sector was attributable to favorable climatic conditions, the introduction of modern methods of agriculture, and the provision of agricultural requirements. These factors produce a large increase in the production of some field crops, a slight increase in the production of vegetables, and an increase of 79.9 percent in the production of fruit and fruit-bearing trees.

In the field of industry and mining, which grew 39.9 percent, growth was concentrated in the processing industries, where income produced rose 45.5 percent, amounting to 108.4 million dinars, or 76 percent of the total income gained from the industrial and mining sector, which totaled 142.7 million dinars. Income generated from the extraction industries increased 24.7 percent.

Moreover, construction activity came alive, as evidenced by the great number of permits for many purposes in the major cities. That was aided by the continuation of efforts expended by the private sector, and the housing authority, to provide building for housing and other purposes, apart from the expansion in loans and easements, which the Housing Bank offered.

The growth achieved in the various economic sectors, in addition to the 24.8 percent increase in indirect taxes, and net income from investments abroad of 21.7 percent, led to a growth in the gross national product, at the market rate, of 22 percent, or 1073.8 million dinars in 1980, compared to 880.3 million dinars in 1979.

2. On the inflation-fighting level, a tangible, positive development was achieved, since the rate of increase, in a measureable number for costs of living, declined from 14.2 percent, during 1979, to 11.1 percent in 1980. That was attributable, in the first place, to the decline in increase rates in certain categories, which enter into making up the measureable figure. This decline in the inflation rate was achieved despite a slight increase in the costs of foodstuffs, and large increases in the costs of other commodity and service categories.

3. The Central Bank, during the year under review, assumed the performance of its main duties, represented by maintaining monetary stability and regulating the

amount, diversity and direction of credit, in addition to guiding and regulating the increase in the money supply. Therefore, the bank followed a monetary policy that can be described as flexible. At a time in which it called upon the commercial banks to not overstep the permissible direct credit percentage of 67.5 percent of their deposits, it also permitted them to increase this percentage to finance developmental projects, and encouraged them to make long-term loans, without expanding the current easements.

To encourage the banks to follow this policy, the bank took some steps, which would encourage them to attract deposits and absorb the liquidity in the hands of the people. It decided, on the one hand, to reduce the cash reserve percentage from 16 to 14 percent on deposits under demand, and from 13 to 11 percent on time savings deposits. It also authorized, on the other hand, a revision of the interest rate structure to encourage national savings. It raised the minimum interest rate on savings deposits to 5.5 percent, and on time deposits to 6.25 percent, on deposits subject to 1 month or more notification, and to 6.5 percent on deposits subject to 6 months notification or longer.

4. The activity of the Jordanian banking system in 1980, was reflected in the growth of domestic liquidity (cash supply plus quasi-money) of 26.7 percent. This rate, despite its increase, reflects a slight retardation, compared with the growth rate achieved during the previous year, which amounted to 27.9 percent. Moreover, it was the lowest rate of growth achieved since 1976. The retardation affected both the cash supply and the rate of quasi-money growth equally, since the former declined from 25.7 percent in 1979 to 24.7 percent in 1980, and the latter declined from 31.5 percent to 30.1 percent, during the 2 consecutive comparable years.

The increase in domestic liquidity, during the year under study, is attributable, in the first instance, to the net foreign capital, which rose 110.06 million dinars, to credit easements, offered to the private sector, which rose 96.65 million dinars, and lastly to the net governmental borrowing from the local market, which rose 12.13 million dinars.

5. Economic development, during 1980, was reflected in the Jordanian banking system's activities, since assets and liabilities of the Central Bank rose 26.7 percent, compared to 23.9 percent during the previous year, amounting to, by the end of the year, 578.54 million dinars, of which 429.48 million dinars represents reserves of gold and foreign currencies. Moreover, commercial banks' assets and liabilities registered a growth percentile of 28.7 percent, amounting, by the end of the year, to 916.69 million dinars.

The increase in commercial banks' assets was concentrated in liquid assets, especially foreign assets, which more than doubled, as a result of the rise in world interest rates. One of the results that stemmed from that was the rise in percentage of liquid assets to the banks' deposits, from 50.7 percent in 1979, to 54.5 percent in 1980.

Specialized lending institutions continued to broaden their activities, since their assets and liabilities, during the year under study, rose by 30 percent, compared to 27.1 percent, during 1979. By the end of the year, this amounted to 247.42 million dinars. The increase in their assets was concentrated loans granted

to the private sector, which rose by 27 percent, or a non-liquid balance by the end of the year of 129 million dinars. As for liabilities, the increase was concentrated in deposits, all belonging to the Housing Bank, since during the year, they rose by 42.2 percent, amounting to 122.58 million dinars, by the end of the year.

6. The size of foreign trade (exports plus imports) increased during 1980, reaching 887.45 million dinars, or a 24.7 percent growth, compared to 29.2 percent in 1979. The individual's share of foreign trade rose from 329 dinars in 1979 to 400 dinars in 1980.

Despite the slowdown in the rate of increase of volume of total foreign trade, the growth rate of national exports rose from 28.7 percent in 1979, to 45.5 percent in 1980, while the growth rate of imports fell 28.7 percent and 21.4 percent, during the 2 consecutive comparable years. Most of Jordan's exports were concentrated in agricultural products and raw phosphates, and certain manufactured commodities. Manufactured commodities (capital plus raw material) were the major part of imports, forming approximately 66 percent of total imports, while consumer commodities were about 34 percent of total imports.

8. [sic] On the public financial level, domestic revenues, during 1980, achieved a noticeable increase of 19.5 percent. Tax revenues grew by 14.6 percent, and non-tax revenues by 39.5 percent. As regards foreign revenues during 1980, it maintained the same approximate level as the preceding year, except for a slight increase of 1.4 percent.

Public expenditures, during 1980, maintained the same approximate level as the previous year. Its total increase was no more than .4 percent, and in general, current expenditures for 1980 increased by 1.4 percent over the preceding year. At the same time, capital expenditures fell 1.3 percent compared to the previous year.

In light of developments occurring in the public budget items, for the year 1980, the budget deficit declined from 79.8 million dinars in 1979, to 41.67 million dinars in 1980. Part of the budget deficit was covered by issues of the domestic public debt, which amounted to 18 million dinars. Moreover, the remainder was covered by the usual loan from the Central Bank.

Jordan also continued to follow its policy, aimed at strengthening economic cooperation with the Arab countries, within the framework of the Arab League and its existing organizations on the one hand, and bolstering its bilateral relations on the other. The importance of cooperation was expressed by the 11th Summit Conference held in Amman, and the extremely important economic and financial results achieved, represented by considering the decade of the 80's the decade of joint Arab economic effort on behalf of giving impetus to the wheel of development in the Arab countries, commensurate with the desired growth rates.

Gross National Product

First statistics available indicate that total local production, in cost price, rose from 626.6 million dinars in 1979, to 672.4 million dinars in 1980, an

increase of 21.7 percent. That is attributable to the increase of income generated by all the economic sectors, without exception. The production sectors achieved higher growth rates, represented by the rise of production value of the agricultural sector from 43.6 million dinars in 1979, to 58.5 million dinars in 1980, an increase of 34.2 percent. Moreover the additional value of the processing industry sector increased by 45.5 percent, and the strategic industry sector grew by 24.7 percent. Income derived from installations also increased 25 percent, and from the electricity and water sector by 12.3 percent. Moreover, the services sectors achieved differing growth rates, amounting to 38.4 percent and 50 percent, in the two sectors of non-profit institutions and domestic services respectively. The remainder of the services sectors varied between 4.7 and 20.7 percent.

As regards the relative importance of the economic sectors' share in total domestic production, the biggest was in the producers of governmental services sector, whose share was some 20.4 percent, followed by the industrial sector of extraction and processing industries, 18.7 percent, retail and wholesale trade, 17.4 percent, and in general, the total share of the material production sectors grew by 37.3 percent, compared to 62.7 percent for the services sectors.

Total local production, in market prices, amounted to 869.0 million dinars in 1980, an increase of 22 percent. The national product, in commercial prices, also increased, amounting to 1073.8 million dinars, or some 22 percent. That is attributable to achieving tangible growth in the various sectors, due to developmental projects, cooperation between the public and private sectors, and additionally, to the increase in indirect taxes by 24.8 percent, and a 21.7 percent increase in net income from investments abroad.

Monetary and Credit Developments

Summary of Monetary Developments

Monetary policy actions, during the past 5 years, have been marked by flexibility, aimed at safeguarding monetary stability and fighting inflation. These actions have been reflected on the total domestic liquidity, whose growth rate declined to 30.5 percent in 1976, to 27.9 percent in 1979, and 26.8 percent in 1980.

This slight slowdown in liquidity growth, during 1980, was reflected in both the money supply, in the narrowest sense, and in quasi-money, on an equal level. Although the largest part of the absolute increase occurred in the money supply, the relative increase for both of them was less than that achieved during 1979. The money supply, during 1980, registered a growth rate of 24.7 percent, compared to 25.7 percent during the previous year, while quasi-money registered a growth rate of 30.1 percent, compared to 31.5 percent, during the two consecutive comparable years. It is worthy of note also that the demand for money in circulation by the masses continued to rise, and during the year under study, recorded a growth rate of 27.7 percent, compared to 25.5 percent for the previous year, while the growth rate for deposits on demand declined from 25.9 percent in 1979, to 20.4 percent during 1980.

One of the most important factors, leading to the increase of liquidity, during 1980, was the net foreign balance, which had a 53.7 percent share of the total

increase. That was due to the increased influx of foreign currencies from abroad, especially the assistance granted by the sister Arab states, and the remittances from Jordanians working abroad. Credit easements granted to the private sector occupied second place, in terms of sharing in this increase, since by the end of the year, those easements totalled about 542 million dinars, i.e., an increase of 96.65 million dinars, or a share of 42.7 percent of the total increase. One should note that these easements occupied first place, in terms of sharing in the liquidity increase, during 1979, since its increase that year was 131.24 million dinars.

The third factor, sharing in the increase of domestic liquidity, was government borrowing from the local market, whose expansion during 1980, led to a rise in the net domestic public debt (i.e., loans granted to the government, and governmental paper and bonds, from which governmental deposits are subtracted). This increase was 12.13 million dinars, compared with the decrease of 16.32 million dinars during 1979. As for capital, reserves, and the net of other factors, they contributed to the lessening of the increase in liquidity, during the year, as a result of their rise in value of 8.85 and 14.30 million dinars respectively.

Monetary Policy

Despite this modest slowdown in the growth rates of monetary indicators, during 1980, these rates are still higher, when compared to the growth rates of the national product. Therefore, monetary policy has been continued in the direction of safeguarding monetary stability and fighting inflation, without stalling the work of economic development.

The Central Bank continued to encourage national savings, by altering the structure of interest rates on deposits, by raising them on long-term deposits. The minimum interest rate on savings deposits was raised to 5.5 percent, and on time deposits, those subject to 1 month or more notice became 6.25 percent, and deposits subject to 6 months or more notice became 6.5 percent. This rise has led to a comparable rise in the structure of lending rates, except that the percentage of interest return is still relatively close to true value, when inflation rates are taken into consideration.

On the other hand, during the month of November, 1980, the Central Bank authorized reducing the percentage of cash reserves from 16 to 14 percent for deposits on demand, and from 13 to 11 percent for savings and time deposits. This reduction was aimed at increasing the banks' liquidity to meet the demand for credit, and to enable the banking system to maintain a modest reduction in the cost of money, which helps them to keep lending rates within suitable limits.

In addition to that, the Central Bank has encouraged authorized banks to attract time deposits, by issuing certificates of deposit. The percentage of cash reserve required for this type of deposit was reduced to 8 percent, provided that the certificates of deposit are issued in differing denominations, that they are marketed through specialized financial firms and investment banks, that their term be for 6 months or longer, and that they not be redeemable before the date of maturity.

Regarding regulating the amount and diversity of credit, the Central Bank continued to apply the maximum percentage of credit to deposits, which is 67.5 percent. If that was exceeded, an additional, obligatory reserve amount can be imposed on any bank that exceeds this percentage, equivalent to the amount that exceeds the stipulated percentage. The additional, obligatory reserve is treated in the same way as the cash reserve, in terms of monetary penalty.

Banking System Activities

As a result of the economic development, which Jordan has achieved over the past years generally, and particularly the development in the structure of financial and banking systems and financial tools, banking system activities, during 1980, continued their steady growth, since its assets and liabilities recorded a growth rate of 30.8 percent, compared to 27.5 percent in 1979. The assets of the Jordanian banking system, by the end of 1980, amounted to 1387.49 million dinars.

Foreign assets form the largest part of the total banking system assets, since during the year under study, their growth rate was 38.1 percent, compared to 24.9 percent the previous year. Their relative importance, therefore, rose from 42.5 to 44.9 percent. It is worth mentioning that this increase, which was mainly reflected in Central Bank assets, was clearly evident in the assets of commercial banks as well, as a result of increase foreign commitments for those banks on the one hand, and of the application of more measures, freeing the income and outgo of foreign currencies, on the other. This led to a large increase in the commercial banks' foreign assets, and reflected, especially, in those banks' balances abroad.

The second factor, reflected in the banking system's activities during the year, is credit granted to the private sector and to public organizations, which rose by 105.74 million dinars, or a percentage of 21.6 percent. It is worth noting that the relative importance of domestic credit declined from 46.1 percent in 1979, to 42.9 percent in 1980. That is attributable, in the first place, to the slowdown in the rate of credit growth, since it declined from 37.5 percent in 1979, to 21.6 percent in 1980, on the one hand, and to the tendency of some commercial banks to increase the investment of their funds abroad, on the other.

Furthermore, credit advanced to the government grew by 41.1 percent over its level at the end of 1979, compared to a growth rate of 4.6 percent the previous year. It is worthy of note that this large increase in the amount of government credit was achieved at a time when the budget deficit was reduced by nearly half, since the total deficit was reduced from 79.85 million dinars in 1979, to 41.68 million dinars in 1980.

7005

CSO: 4304/113

SOURCES OF BANK FUNDS CITED, USE CRITICIZED

Paris AL-MUSTAQBAL in Arabic No 231, 25 Jun 81 p 44

[Article: "Source Of Bank Funds and Their Use In Jordan"]

[Text] At the end of 1980 the commercial banks as a whole controlled about 795 million dinars in assets, of which 82.8 percent came from depositors and 10.8 percent came from sureties, various appropriations and other obligations. The remaining 6.4 percent came from stockholders, or, in the case of non-Jordanian banks, from the home office, in the form of capital, voluntary general reserves and rotating or undistributed dividends.

This huge supply of money was used as follows: 32.6 percent as cash in the till and cash held by the Central Bank and the foreign banks, excluding funds deposited by the licensed banks among each other; 8.4 percent as financial paper, most of it government bonds and securities, and some corporate stocks; the remaining 3.5 percent [as published] as fixed assets and other debit funds.

These figures clearly illustrate the basis of the strength of the commercial banks in comparison with other companies. Their directors exercise control over assets amounting to approximately 16 times the stockholders' money, which is possible only in the case of banks.

But this fact has caused banks to be subject to strict laws which regulate the way they conduct business and set limits as to how far they can go. In other words, they are not dealing with their own money but with public funds.

In 1980 alone, 189.4 million dinars--excluding the amounts deposited by licensed banks in other licensed banks--flowed into the banks. Of these new funds 84.6 percent came from depositors, 7.2 percent came from sureties and appropriations, 3.8 percent came from reducing the banks' portfolios of government bonds and securities, and 4.4 percent came from increased stockholder fees.

With regard to the way these funds are used bank management used 61.6 percent to keep liquidity strong, and maintained a large amount of funds in the Central Bank and in foreign banks--particularly foreign banks. They loaned 35.3 percent in the form of bills of exchange, ongoing debts and loans. The remainder, 3.1 percent, went into fixed assets and other obligations.

A noteworthy phenomenon is the banks' increasing trend to invest a large portion of their resources abroad in foreign currencies, even if that should lead to their divestiture of Jordanian government bonds and securities. This is a negative and unfortunate trend because it is incumbent upon the banks to allocate a larger portion of their assets toward financing the government's development efforts. It is not permissible for them to invest excessively abroad in their desire for high interest and avoiding income tax, by exploiting the flexible rules governing them in this area.

9123

CSO: 4304/109

ECONOMY SPURRED BY REGIONAL FACTORS, INFLUX OF MONEY, INVESTMENT

Paris AL-MUSTAQBAL in Arabic 4 Jul 81 pp 51-52

[Article: "Jordan's Economic Take-Off Continues Despite Changes in Some Regional Factors; Additional Arab Companies and Money in the Jordanian Economy"]

[Text] The take-off that has been in progress for the past few years in the structure of the Jordanian economy and its various sectors is continuing. This is substantiated by a number of indications, three of which are interrelated, as follows:

The first is the continued influx of Arab money to take part in the establishment of new Jordanian investment corporations. Three such corporations are currently being established. These are:

--The Jordanian Rock Wool Industries Company, established with a capital of around 1.5 million Jordanian dinars for the purpose of operating in the sector of the trade, processing, and marketing of raw materials and products related to rock wool, a soundproofing and insulating material. The company is to begin operations with the establishment of an automated plant with an annual capacity of 5,000 tons. This plant will be capable of being converted automatically to the production of any type or form of rock wool.

The shareholders in this company consist of 22 parties who have subscribed to 50 percent of the company's 750,000 shares. The nominal value of each share is 1 Jordanian dinar. The Austrian company (Jisiba), which specializes in the new firm's product line, will provide the special technical prerequisites for the construction and operation of the plant. The Austrian company has subscribed to 150,000 shares in the firm (10 percent of the total capital) and the remaining shares (40 percent) have been subscribed to by 18 Jordanian engineers and businessmen, an insurance company, an engineering firm, and the pension fund of the engineers' union. The rest of the shares (50 percent) were offered for public subscription starting 28 June and will continue to be offered until 27 July. The results indicate that a number of Arabs have bought shares in the company on the existing terms, which state that each share has a face value of 1 dinar, of which the subscriber pays 25 percent.

--The Jordanian Finance Company for Development and Investment, established with a capital of 6 million Jordanian dinars (\$18 million). A broad group of Jordanian individuals, companies, and institutions, along with a large group of Arab businessmen,

have subscribed to 75 percent of the shares of the company, which are considered founding shares. The remaining shares (25 percent) have been left for public subscription by Jordanian and Arab individuals and companies on terms to be set on announcement of the subscription, which will take place no later than July or August of this year.

--Islamic Investment House, Inc., established with a capital of 4 million Jordanian dinars (\$12 million). A large number of institutions and economic agencies from Jordan, Kuwait, and other Arab countries joined in founding this institution as a specialized investment company operating according to the Islamic system based on profit sharing.

The Arab and Jordanian founders of the company subscribed to 60 percent of the shares, leaving the remaining shares to be offered for public subscription, which will take place according to the announced terms during July.

The second indication is the fact that a number of Jordanian and jointly owned contracting, construction and engineering companies have embarked on the development of modern multiunit housing projects to be offered through direct marketing to the public during the planning of the projects and before and during their actual construction.

While these projects meet some of Jordan's needs in eliminating what remains of the housing crisis and the problem of rising rents, the construction and development of projects of this nature reflect the progress that is being made in the housing construction sector and the methods employed to develop and market housing projects. Second, this phenomenon reflects the availability of income among Jordanian citizens, who are rushing to purchase coupons for housing units in these projects. Moreover, the availability of income is in itself an indication of the level of activity and growth in economic sectors and in the incomes of Jordanians.

Jordanian newspapers--and Gulf newspapers in general--have been filled in recent weeks with advertisements for such projects, inviting Jordanians working in the Gulf to reserve the housing units they desire; the latest major project of this type is "Internationality Suburbs," which has been constructed in Khalda through the enterprise of the International Contracting and Investments Company. This Jordanian corporation offered coupons for housing units in the 2,270-unit project, which includes detached villas, attached villas and apartments on different levels. The project is located on grounds interspersed with walkways, playgrounds, commercial markets, sports clubs, a kindergarten, public and private parking lots and a public library, with all buildings equipped with insulation systems.

The third indication of the continuing take-off in the Jordanian economy is the projects that are presently under study and formulation to stimulate investments in certain sectors, shift the momentum of investments from one region to another and develop the Jordanian capital of 'Amman.

The following measures can be included under this heading:

A. A study of the Ministry of Trade and Industry pertaining to proposed amendments to the law for the promotion of investment. The amendments include larger exemptions

for industrial and mining projects, tourist projects, land and marine transport projects and the education and instruction sector. The amendments also include broader exemptions for projects constructed outside the borders of the 'Amman region, the other governorates and the development areas.

B. A study by the National Planning Council pertaining to a project prepared by the 'Amman Regional Council calling for the relocation of all craft industries from the capital to the outlying suburbs, the designation of specified areas for mechanical industries and the distribution of these industries to facilitate the utilization of their services. Each industry would be provided with the services it required, including water, electricity, roads and industrial safety (first aid and firefighting), along with architectural planning of the workshops.

The aim of distributing vehicle repair shops and all their offshoots is to facilitate the use of their services in all areas (at a total cost of some \$27 million for the project) rather than have them crowded into one area that is impossible to regulate. However, the primary purpose of the project aimed at changing the exemptions in the investment law to encourage investment in areas outside the capital--as well as the project to relocate nonmechanized industries outside the 'Amman region--is to prepare the Jordanian capital for eventual transformation into a modern city capable of providing major services rather than a city cramped by small, marginal institutions that are incapable of expanding because of high land prices in the city or because of a basic incompatibility with the development needs of a flourishing capital. At the same time, this will give the capital sufficient room for all the modern activities demanded by a state that is experiencing economic growth. Moreover, the other regions outside the capital will benefit from the return of some of the individuals who had migrated to the capital, and thus economic, commercial and building activity in the other governorates will pick up substantially and will counterbalance the activity of the capital in other fields.

C. These two projects are interrelated with a third project calling for the rejuvenation of the capital in several stages. The first stage would start with changes in the telephone, telex, electric power and water systems. The final stage would end with the establishment of a 1.8-hectare landscaped square along Al-Hashimi Street accompanied by the construction of new commercial centers, cafés and enclosed markets along some streets. Prior to these improvements, the project calls for the construction of a new building for the municipality itself, an antiquities center, a museum, parking lots, and malls for pedestrians along with the widening of paved streets, the modernization of the old markets, the development of communications services and so on. The total cost of the project including all stages will be over \$30 million, which will be provided by the municipality itself, a number of public departments and merchants and storeowners in the areas that will benefit from the development.

At this time, operations pertaining to the construction and implementation of new projects in the public and private sector are continuing.

Thus, for example, an agreement has been signed for the implementation of the first part of stage one of the industrial city project in Sahhab at a cost of 8.5 million dinars (\$25.5 million). According to this agreement, an international

organization will develop a 750-dunum area and furnish it with basic services and facilities (water, electricity, communications, sewers, roads, administrative installations, a vocational training center, a health clinic, an exhibition hall and buildings for 30 plants, including warehouses).

Another example is the signing of an agreement calling for the implementation of the civil, electric and mechanical facilities for a plant for the Jordanian Glass Industries Company along with facilities for a plant to process raw materials for plate glass production. The value of this contract is 5.6 million dinars (\$16.8 million). The operation will be completed during the first half of 1983 so that the plant can begin production with an annual capacity of 27,000 tons of regular and colored plate glass. Part of the output will be sold within Jordan and the remainder will be exported abroad. The company that owns the plant is a mixed company with a capital of 2.5 million dinars (\$7.5 million), 31 percent of which has been put up by government organizations. The project will cost 12.5 million dinars (\$17.5 million), most of which will be financed through local loans.

This take-off in the Jordanian economy, which has really been in effect for several years, is attributable to a series of factors that Jordanian authorities have known how to exploit and keep effectively alive.

Fundamentally, the Jordanian economy initially benefited from economic coordination efforts between Jordan and Syria in a number of sectors. These efforts led to the establishment of a number of joint projects in the banking, land transport, industrial and various service sectors. These projects initially benefited from the mutual liberalization phase between the two countries, and they have not been affected too much by the recent tension that has developed in the two countries' political relations.

These coordination efforts and joint projects coincided with the Lebanese crisis, which led to the relocation of some activities of Lebanese businessmen and individuals residing in Lebanon (both Arabs and foreigners) from Lebanon to other centers, including Jordan. However, these efforts also coincided with the growth in the influx of money from Jordanians (and Palestinians residing in Jordan) working in the Gulf. The number of these individuals grew steadily along with the growth of their incomes and, consequently, the growth of their savings and remittances to their families, the banking system and the building and consumer sectors of the Jordanian economy.

Then came the improvement of Jordanian-Iraqi relations in two phases: first following Sadat's visit to Jerusalem and second after Jordan lent its support to Iraq in its war with Iran.

This improvement was reflected in construction and contracting deals won by Jordanian companies in Iraq, contracts for importation through Jordanian businessmen and Iraq's reliance on the port of 'Aqabah for imports of products and materials that could no longer be imported or stored in Iraqi ports due to the war with Iran. The improvement in Jordanian-Iraqi relations also led to a succession of aid grants and loans that strengthened the Jordanian balance of payments position and bolstered Jordan's ability to spend funds on supply and development projects.

Each day brings a new report of an instance in which Jordan has profited from Iraqi economic activities utilizing its facilities. The latest report of this type was an advertisement by a certain transport company (Maltrans) calling for 600 Arab drivers to drive its trucks from 'Aqabah to Iraq. The terms of the job offer were very good, including guaranteed housing for the workers (and possibly their families) in 'Aqabah.

As part of this high level of developmental activity that has been made possible by a series of regional factors, Jordan has completed many basic facilities in the financial, banking, industrial and commercial sectors as well as in the air and marine transport sectors, the services sector, tourism and public utilities. It has also developed the structure of some social sectors (particularly housing). These things have not been accomplished without some problems or some of the negative aspects that normally accompany growth and development, especially the inflation resulting from rising income levels, higher standards of living and greater expenditures on consumption. However, as one Jordanian economist says, these problems have remained very slight considering the offsetting benefits. It would seem that the most important of these benefits is that Jordan has learned how to concentrate the benefits of these transformations and make the benefits continue to accrue within the country, even though some of the regional factors that formed the initial basis for the transformation--a transformation which began in 1975 and continues to set the tone for the Jordanian economy--have now changed.

8591

CSO: 4304/70

BRIEFS

CONTROLLING WEST BANK EDUCATION--Jordan has again been trying to put the Judaea and Samaria education system under its control. Our correspondent has learned that since last week, the education chambers offices in Judaea and Samaria have begun receiving official reports from the Jordanian Education Ministry, signed by the education minister himself, Sa'id Tal, reporting on the ministry's decisions. The idea is to have those resolutions implemented on both banks of the Jordan. Similarly, the heads of the education chambers will be required to provide lists of teachers, to rate those teachers' qualifications and send those lists as official Jordanian documents back to Amman. Our correspondent remarks that more than a year ago a similar attempt by Jordan failed. At the time, it appointed a director general for the education system, through whom it wanted to implement its policy. However, both Israel and the National Guidance Committee forced Jordan to give up the idea. Now Jordan is trying to send its directives through the existing education chambers. [Text] [TA261415 Jerusalem Domestic Service in Hebrew 1400 GMT 26 Aug 81]

JOINT AIRLINE WITH IRAQ--The Jordanian and Iraqi Governments have signed an agreement to establish a joint Jordanian-Iraqi company for air transport. The agreement was signed today by al-Sharif Ghazi Rakan, director general of Jordanian Civil Aviation, and by Husayn Hayyaw, director general of the Iraqi Civil Aviation Corporation, for Iraq. It was also signed by 'Ali Ghandur, board director and general manager of Alia, the royal Jordanian airline. [JN201716 Amman Domestic Service in Arabic 1600 GMT 20 Aug 81]

LAND FUND SUFFERS DEFICIT--Amman--AR-RA'Y has learned that the fund in support of the occupied land inhabitants is currently suffering a \$25-million deficit. Knowledgeable sources say that this deficit is a result of the failure of those fraternal Arab countries financing the fund to abide by their commitment to pay the sums on behalf of Libya and Algeria as agreed at the Amman summit conference. The deficit, the sources add, is also a result of the delay by these countries in honoring their commitments as resolved by the Baghdad summit conference. [Text] [JN240948 Amman AR-RA'Y in Arabic 24 Aug 81 p 1]

EXPORT, IMPORT FIGURES--Statistics released by the Jordanian Central Bank indicate that Iraq is the most important market for Jordanian exports. During 1980 exports to Iraq amounted to about 28.3 million dinars, or 23.6 percent of the total value of Jordanian exports. Saudi Arabia was second with 16.4 percent, followed by India with 6.7 percent. Saudi Arabia was the leading exporter to Jordan which imported about 114.1 million dinars worth of Saudi crude oil in 1980. This represented 15.9 percent of total imports. West Germany was second, supplying Jordan with 9.9 percent of its imports, followed by the United States with 8.6 percent. [Text] [Amman AL-DUSTUR in Arabic 21 Jul 81 p 2] 9123

TRADE DEFICIT--The trade deficit continued to rise steadily during 1980, amounting to 543.3 million dinars, compared with 467.4 million dinars in 1979. This increase of 16.2 percent occurred despite the palpable increase in exports, which rose this year by 50.5 million dinars, or 41.8 percent, above the previous year, and despite the fact that the value of exports rose by a higher percentage than imports. The Central Bank attributes this large increase in the trade deficit to increased expenditures on imports this year. These amounted to 714.8 million dinars, compared with 588.3 million dinars in 1979, a 21.5 percent increase. This increase in expenditures on imports was caused by the country's increased demand for machinery and transport equipment, as well as by higher prices and quantities of imported oil, as has already been mentioned. Furthermore, expenditures on imported chemical products, particularly medicine and other medical products, and various food substances, have also risen. [Text] [Amman AL-DUSTUR in Arabic 22 Jul 81 p 7] 9123

CSO: 4304/109

OIL MINISTER DISCUSSES RESULTS OF OPEC GENEVA CONFERENCE

London AL-MAJALLAH in Arabic No 72, 27 Jun 81 p 45

/Interview with Minister of Oil Shaykh 'Ali Khalifah al-Sabah, by Riyah Munir Shaykh al-Ard, in Geneva on the occasion of the OPEC conference, 25-26 May 81: "Oil Is One of Our Weapons in Battle; We Have Enough for 111 Years"

/Text When oil runs out in all of the Arab states, Kuwait will still be producing it. It will be the last to remain in OPEC. Its oil reserves were estimated at 67.9 billion barrels in 1980, which would last until 2092 and might be stretched to beyond the 21st century if it continues to follow a policy of reducing production. In 1979, Kuwait produced 2,496,000 barrels a day. In 1980 it lowered its production by a third, to 1,666,000 barrels a day. The real engineer of Kuwaiti oil policy who put it into effect is Minister of Oil Shaykh 'Ali Khalifah al-Sabah. AL-MAJALLAH asked him a number of questions immediately after the OPEC conference held in Geneva on 25 and 26 May. Here is the text of the interview:

/Question Your Excellency Mr Minister, on what have you agreed thus far?

/Answer Essentially, we have agreed to keep the pricing system approved at the Bali Conference, allowing each country to decide what to charge for its crude oil within a price range of from \$36 to \$41, with the provision that the maximum difference in crude oil price is to be \$5. Due to market conditions and the presence of an oil surplus, some of the OPEC countries also have decided to reduce production or to continue previously announced reductions. These reductions together amount to 1.25 million barrels a day. The discussions were marked by a great deal of cooperation, and I think what has resulted from them is an understanding of how circumstances differ from one country to another. I believe that the delegates have come away from the conference with a better understanding of the circumstances of others, and this understanding will form the basis for agreement at the next conference, in Abu Dhabi.

/Question OPEC's statement at the Bali conference referred to an officially preferred price, but its statement at the Geneva conference did not mention any official price.

/Answer A change in the official price requires that a resolution be issued by the organization. As long as no resolution to that effect was issued at the recent meeting, the official price has not changed. This only means that we did not feel the need to repeat what was contained in the Bali statement because the organization did not issue any resolution to change it.

Question The Geneva conference departed from OPEC's customary procedure of discussing prices to look into the question of production. Discussion of the two sides of the balance is the basis for tightening control over supplies of oil for export. Do you think that OPEC has been transformed by that into a kind of cartel?

Answer No. In a cartel the basis for action are more specialized. I think that I can describe OPEC as no different from the grain council or any other organization of this type.

Question OPEC has been accused of creating the crisis in the capitalist world today. What is your reply to this accusation?

Answer If OPEC is accused of anything, it ought to be accused of using moderation in setting oil prices.

Question And the accusation that it has created inflation in the world?

Answer We have caused inflation? I don't believe that anyone believes this today, even in Western economic circles and Western universities.

Question But there are many journalists who continue to accuse you of causing inflation.

Answer In the press. But I said, academic organizations.

Question Your Excellency, what is your opinion of the report issued recently by American intelligence refuting their previous report about the Soviet Union's need to import Arab oil?

Answer Did American intelligence issue another report?

Question Yes. The new report refutes the previous report and says that the Soviet Union will continue to export. What is your view on this?

Answer First, I am not the director of American intelligence.

Question I beg your pardon. That was not the intent of the question.

Answer Second, we did not agree with the previous report, so we do agree with the current report. We know that the Soviet Union has large sources of oil.

Question In light of the Israeli threats to which Syria has been subjected, can you use oil in the battle?

Answer Arab oil is an entity. Its use is subject to conditions and circumstances. However, I believe that we will place all of our resources at the service of the goal of protecting Arab lands and their unity.

Question What is OPEC's position on the international oil companies' effort to break the boycott imposed on transporting oil to South Africa?

/Answer/ If any company takes one drop of oil by any means to South Africa or to Rhodesia (before the recent settlement in Zimbabwe) or to Israel, it is subject to cancellation of our relations with it. This is written into the contracts signed with the companies. For example, there was a violation of this type involving carrying oil to Italy under suspicious contracts. This was at the peak of the oil crisis. We took immediate action to end the contract.

North and South

/Question/ What has happened to CPEC's role in "the dialog between North and South?"

/Answer/ We deal with this question in the Long-Range Policy Committee. I believe that a resolution was adopted on this at the Vienna conference. We announced that we would give a year or two to what was being done within the framework of the UN in the way of a "dialog between North and South" to see whether the dialog makes progress through the UN. If it does not, then we will feel that there is adequate reason to establish such a dialog.

/Question/ Your Excellency, when you speak of long-range policies, the reader's attention turns to the fact that Kuwait has oil reserves to last for 111 years on the basis of current production, and naturally more than that after you decided to reduce production this year by 16.7 percent. However, doesn't Kuwait need to diversify its economic activity and reduce its reliance on energy production?

/Answer/ We are developing our economy slowly, and in any case we have a longer ratio of supply to production than you mentioned.

/Question/ When calculating the long-range oil "formula," do you take into consideration the growth averages in the heavily developing countries in order of their relative importance?

/Answer/ What we have calculated is the total world demand, and I believe that the growth averages in the developing countries are part of that.

7587

CSO: 4304/55

NATIONALIST MOVEMENT LEADER SPEAKS AT ARAB UNIVERSITY

JN221916 (Clandestine) Voice of Palestine in Arabic 1800 GMT 22 Aug 81

[Speech by Lebanese Nationalist Movement Leader Muhsin Ibrahim at a rally held in solidarity with Libya in the Jamal 'Abd al-Nasir Hall at Beirut Arab University on 21 August 1981--recorded]

[Text] Brother struggler Yasir 'Arafat, PLO Executive Committee chairman; [applause] brother struggler Salih al-Duruqi, secretary of the Popular Committee at the Arab Fraternity Office in Beirut; [applause] brother leaders of the Lebanese Nationalist Movement and the Palestinian revolution; brothers and comrades: We meet today--Nationalist Lebanese, Palestinian revolutionaries and Arab nationalists--to raise high the voice of solidarity with the socialist people's Libyan Arab Jamahiriyyah and with the 1 September revolution and its leader Col Mu'ammarr al-Qadhafi. [applause]

We meet today to reiterate our solidarity with Libya--land, people, leadership and revolution--in confronting the vicious U.S. onslaught which yesterday took the dimension of an impudent military intervention and a dogfight in Libya's skies and over its land and territorial waters. This dogfight took place between aircraft of the U.S. 6th Fleet and the Libyan Arab fighter planes. [applause]

First of all, we would like to address greetings of pride and admiration to those eagles who daringly piloted their fighter planes in confronting the mightiest force on earth. [applause] At a time of surrender to the United States, it is not an easy thing for an Arab pilot to fly against the U.S. 6th Fleet. [applause] Our area during Reagan's administration is facing pressures much stronger than those it faced in the past. It is natural that these pressures should focus on the principal links of steadfastness. It was therefore no coincidence that the Libyan coast was chosen as a place for U.S. military belligerency. It was no accident that this impudent military provocation was carried out as part of a long campaign of instigation and attacks against Libya--people and leadership--during the past months. This campaign has even taken the dimensions of threats to kill, to launch a blatant attack and hints of occupation in order to strike at the 1 September revolution and its leadership.

It is no secret that what is bothering the United States is the important progressive, pan-Arab and patriotic role Libya is playing on the level of the all-out Arab confrontation of the imperialist-Zionist-reactionary alliance. This important

role being played by the 1 September revolution supports the liberation forces in all of Africa. This is why the U.S. onslaught is continuous. Nor was it a coincidence that the attack took place as the leaders of Libya, the PDRY and Ethiopia were signing the joint friendship and cooperation treaty. This was no coincidence, for this treaty opens a new road that constitutes a significant turning point in the course of the Arab-African liberation struggle because this treaty affirms that the road of confronting the United States is the only choice which remains open to us. It is the road that we all should pursue. This tremendous accomplishment was and still is big enough to upset the U.S. imperialist calculations in the Arab area and on the African level. Hence the U.S. attack, hence this provocation and hence the U.S. State Department spokesman promising more provocations against the Jamahiriyah and all the pan-Arab and nationalist positions and forces of steadfastness throughout the Arab area.

Brothers and comrades, we are here to greet the Libyan Arab people's stand in confronting the United States. We meet to affirm that the only response to what the Arab area is now facing is the way in which al-Qadhdhai, 'Ali Nasir and Mengistu replied and also the road represented by this treaty, which will make a distinguishing mark on the road of our liberation struggle.

We must sincerely say that there is no way out of the quagmire of defection and retreat and also out of this course of backwardness along which the Arab area is moving except through a courageous revolutionary decision by the Arab masses and their vanguard revolutionary strugglers, a decision of confronting U.S. imperialism, including its interests, positions and reactionary forces throughout the Arab arena. [applause] This alone is the decision, which will amount to confronting Israel. Israel is confronted here. On this level, we are really facing Israel.

But all other plans to convince us once again--following the bankruptcy of the course of traitor al-Sadat--that all the cards are in the hands of the United States and that all bets should be placed on the United States should merit our courageous rejection, which should call a spade a spade. [applause] Yesterday, the kingdom of Saudi Arabia proposed a plan for a Middle East solution. Those who commented on this proposal after reading its text and its articles got lost. It is not important what the plan says and what the plan demands, including Arab rights in the countries whose territories were occupied in 1967 and the rights of the Palestinian people, because al-Sadat's speech in the Israeli Knesset was more extremist and stubborn than this. [applause] Al-Sadat's speech was more stubborn in favor of Arab rights. But all of his talk was not worth anything because he had already surrendered and capitulated and was speaking from the Israeli Knesset's rostrum. What counts is not what we say. What counts is what course we pursue.

Following al-Sadat's bankruptcy, they want to tell us that conducting a dialogue with the United States, presenting constructive plans to the United States, bringing fake pressure to bear on the United States and attempting to reach a Palestinian-U.S. dialogue is your way for reaching your rights. We reply: No to this logic and no to this plan. Clashing with the United States and defeating it are the only way of reaching our rights. Those who want to fight the United States will find all ways and will find all the fronts open for them and will find all interests exposed and unprotected. There is nothing that can protect the U.S. interests in this area except Arab capitulation. [applause]

Brothers, Libya was exposed to a very serious thing. Since Vietnam, the United States has never interferred in such an impudent manner as it did against Libya. The answer to what Libya was exposed to and the answer to what the Arab area at large is facing is not to search for a patched up Arab solidarity. The answer should be through crucial and strategic classification. The answer should be through the road which was opened by the three leaders in Aden. The front of steadfastness and confrontation should meet immediately at the summit level. Its agenda should include one sole decision: The complete rupture of relations with the United States and the clash with U.S. imperialism with all types of weapons. [applause]

We tell you frankly that this is the sole way to bring life back to the front of steadfastness and confrontation, a front on which we wagered and on which we will continue to wager because it represents the more advanced positions in the Arab national liberation movement, but mere meetings and proposing bylaws to organize its work will not bring life back to this front. Life will be brought back to this front by this complete decision, which will establish the necessary connection between this front and this tripartite treaty, and organic relations will be established between the liberation, progressive and democratic forces in the Arab world on those in Africa. This will give us the means to confront the Israeli enemy and those to put an end to this excessive arrogance against the Arab position and forces of steadfastness.

Brothers and comrades, it is difficult for me from this podium, which is actually devoted to expressing solidarity with Libya--people, revolution and leadership--not to refer to the current conspiracies and schemes in Lebanon which are aimed against the head of the Palestinian revolution, the head of the Lebanese nationalist movement, the security of Syria and the security of all the forces of Arab steadfastness and confrontation. Today we are facing a serious and dangerous phase, no less dangerous than the military phase which was correctly described by my brother and comrade Abu 'Ammar [Yasir 'Arafat] as the sixth war. [applause]

I am certain that Israel is preparing for a seventh war. But we will also face a U.S. political war before that, a war in which they will attempt to gain from us peacefully what they could not gain by force of arms. This will take place in accordance with a plan whose features have become crystal clear.

It is ironic that two Arabs should be in the United States: Anwar al-Sadat and Bashir al-Jumayyil. The U.S. administration is exerting its efforts with al-Sadat in order to enhance his alliance with Israel. The administration is using all of its intelligence with al-Jumayyil in order to make him issue a statement saying that he will sever relations with Israel. I am saying this not to cast doubts on al-Sadat's sincerity in his alliance with Israel. I declare that he is sincere. [laughter] All I want to do is to shed light on this statement which we read today on behalf of Bashir al-Jumayyil. Following a previous contradictory statement, al-Jumayyil said in his statement that he will sever all kinds of relations with Israel. The matter is not confined to this only. Beside Bashir al-Jumayyil, the United States is moving, the regime is moving and Arab reaction is moving. There is more than one crossroad among these moves. Among these, there are three crossroads which represent the Palestinian, Lebanese and Syrian necks.

To begin with Bashir al-Jumayyil, we say: This statement is good, but it cannot convince us that the relations with Israel have been severed.

The nationalist movement has its own demands to this effect, which we are repeating. By doing so, we are not asking for miracles. We demand clear stands and statements regarding all the parties cooperating with Israel, explaining the various aspects of this cooperation and clearly declaring that they are determined to sever all these bonds of cooperation. Above all, and this is our right, we want to become quite sure that the relations with Israel are indeed severed. Let us say it straight forward: We demand the termination of Bashir al-Jumayyil's state. As long as Bashir al-Jumayyil's state exists, we do not trust any word regarding the severing of relations with Israel. The problem is not one of forming a committee because we demand something more. There are two sides to the problem: One is the cooperation with Israel, and the second is the establishment of a fascist isolationist state in the inside. The two sides of the problem are closely linked and, therefore, one cannot end the first side of it unless he also ends the second side as well. This is our vision of what is being said regarding the problem of cooperation with Israel.

Moreover, we consider the Americanized Bashir al-Jumayyil no less dangerous than the Zionized Bashir al-Mumayyil. Our objective is not to see Bashir al-Jumayyil replace his Zionist mask with a U.S. mask. Our objective is to put an end to Bashir al-Jumayyil's stand, trend and policy.

This brings us to face the proposed U.S. plan to solve the Lebanese crisis. We here declare our categorical rejection of this plan. Unlike the regime, we study what is being proposed to us. We accept what we find appropriate and reject what we find inappropriate. We reject the U.S. plan to solve the Lebanese crisis, in part and parcel. Why? Because this plan proposes to solve the issue of the south by liquidating the Palestinian and Lebanese nationalist presence and because it seeks the head of the Palestinian revolution. We reject this plan because it proposes to solve the entire Lebanese crisis by fully recognizing Bashir al-Jumayyil and the Phalangist Party, thus considering the Phalangist Party as the base of the coming official authority under which the Lebanese crisis may be solved. Among the priorities of such an authority will be to prevent the establishment of a real national army and to use the present army as a tool to strike at the Lebanese nationalist movement and the Palestinian revolution and to replace the Syrian Army as well.

When we mention the U.S. plan, we cannot but recall the articles of the Lebanese working paper proposed to the Arab Followup Committee. In short, the paper says that between August 1981 and August 1982 the Palestinian's arms will be gathered in one area in al-Baqa', a time during which the Syrian Army will be withdrawn and replaced by the present [Lebanese] Army which will be responsible for security all over Lebanon. This is the stipulation of the official Lebanese working paper, which also constitutes the Arab interpretation of the U.S. plan.

As we disclose all these facts, and as we call for a comprehensive Arab confrontation of U.S. imperialism, today we call for confronting and repulsing this U.S., official and Phalangist plan. This is a big responsibility and the required decision is very dangerous. So, all the nationalist, progressive and liberation forces are invited to unite their ranks and adopt a decisive and sharp decision. No to any U.S. plan. No to any fancy of opening a dialogue with the United States. No to any attempt to peddle deceptive U.S. plans. The United States has imposed confrontation on this region. Let it be so.

AL-JUMAYYIL URGES SYRIA TO SHOW FRIENDSHIP

NC031527 Beirut Voice of Lebanon in Arabic 1215 GMT 3 Sep 81

[Text] Shaykh Pierre al-Jumayyil [leader of the Lebanese Phalangist Party] has urged the Arab Followup Committee to intensify its efforts to end the tragic situation in Lebanon. He said: We have complied with all the Arab committee's requests; it remains for us to see what the committee is going to do.

The Phalangist leader continued: I believe that the Arab endeavors, represented in the Followup Committee, are tantamount to the last recourse on which we pin our hope that positive results on both the security and accord levels will be achieved and that no new conditions or further crippling obstacles will be raised before these endeavors. However, should the Arab Followup Committee fail, now that all the obstacles facing it have been eliminated, we do not believe that any other committee would be able to achieve what the existing committee would have failed to achieve.

Shaykh Pierre al-Jumayyil said: I am perhaps here addressing [Syrian Foreign] Minister 'Abd al-Halim Khaddam, member of the Arab Followup Committee, to emphasize that Syria might have the opportunity today to regain the friendship of all the Lebanese. I do not know the reason which makes Syria foment quarrels in Lebanon at a time when nobody wants to quarrel with it and when Syria finds itself in need of the friendship of all the Lebanese, not the antagonism of a group and the lending of support to another group, since there is no reason for disagreement on the Arab and Palestinian aspects or with regard to the general principles related to Arabism as a culture or environ [bi'ah].

Shaykh Pierre al-Jumayyil concluded by saying: We therefore hope that every aspect conducive to the desired solutions will be facilitated before the Arab Followup Committee so that we may achieve deliverance which is of great benefit to us, to all the parties and to all the Arab states.

CSO: 4304/135

FRANJIYAH DISCUSSES CHEYSSON VISIT, FAHD PLAN

NC021848 Beirut Domestic Service in Arabic 1630 GMT 2 Sep 81

[Text] [Former] President Sulayman Franjiyah held a press conference today at which he discussed the current political situation.

At the outset of the press conference, President Franjiyah denounced the attack on [former] Prime Minister Rashid Karami's office in Tripoli, regarding it as cowardly.

Asked his opinion about French External Relations Minister Claude Cheysson's visit to Lebanon, Franjiyah said: From Cheysson's statement upon his departure from Lebanon we inferred hope and good. This is not strange, because we view France as the mother of democracy and as the leader of those defending human rights. The French minister was astonished at the presence of a people without a homeland and at the displacement of a people. This is what France has been fighting against throughout its history.

He said: What could we ask of Cheysson. The Lebanese and the Arabs are aware that Lebanon's tragedy lies, first, in its weakness and, second, in its geographical position on the Israeli border. Israel is the source of all the calamities that befall Lebanon. The least that could be asked of Minister Cheysson is to work toward the goal of having the EEC countries join hands and exert pressure on the United States so as to make Israel respect and implement the UN resolutions.

President Franjiyah then praised Saudi Crown Prince Fahd's initiative, which has been received with satisfaction, particularly by the Palestinian people, whose cause it is.

President Franjiyah emphasized patriarch Khuraysh's statement on the security explosions and the way out of the crisis. He said: I reiterate what his beatitude said in one of his messages to the Lebanese people in order to end the crisis, namely, that the state should employ force, firmness and resolve.

CSO: 4304/135

AL-WAZZAN URGES CONSTRUCTIVE MEDIA RESPONSES

NC251851 Beirut Voice of Lebanon in Arabic 1715 GMT 25 Aug 81

[Text] The official activities centered on the information field today. The question of information was discussed at a meeting between the president of the republic and the minister of information at a meeting in Ba'bda Palace. It was further discussed at a meeting at the Government House between Prime Minister al-Wazzan and Information Minister Iddih on one side and representatives of the newspapers proprietors and editors on the other. The purpose of the meetings was to dampen the hot climate and stop the information campaigns by certain Lebanese and other quarters.

The information minister explained that the government does not intend to impose censorship, saying: We fully adhere to the democratic freedoms. There will be no blackout or censorship. What is required is that the gravity of the situation should be realized and that constructive criticism be applied.

At the last meeting of the Arab followup committee, the prime minister said: There has been a general feeling of the importance of providing the appropriate atmosphere for any conciliation action that the committee and the Lebanese authority would follow. The most important thing is the question of information. Despite the fact that the freedom of expression has sometimes harmed us, we continue to prefer the freedom of expression.

Speaking to the press representatives and the editors, al-Wazzan said: I convey to you the wishes of the Lebanese authority and the Arab brothers, who are helping the authority to overcome the difficulties and achieve the salvation. We and they are confident that the press can contribute constructive action at this stage to save Lebanon. We demand the press today to contribute its share. God forbid that I should accept that the contribution of this share should be at the expense of freedom, right or sound objective criticism. Prime Minister al-Wazzan emphasized on the constructive and objective criticism, considering it as a contribution to the construction. He hoped that vituperations, attacks and the exchange of accusations and the violent method which heatens the atmosphere will be abandoned. He said: We hope that our words will be words of construction and not of destruction because nobody will construct for us but we construct for ourselves in all sectors.

CSO: 4304/135

LEBANON

TAPLINE OIL COMPANY STOPS PUMPING OIL

NC221829 Beirut Domestic Service in Arabic 1800 GMT 22 Aug 81

[Text] Minister of Industry and Oil Muhammad Yusuf Baydun issued a decision this afternoon confiscating the crude oil available in the tapline tanks. The following is the text of the decision:

1. The crude oil now available in the tapline company tanks shall be confiscated to ensure the needs of the Medreco oil refinery to meet local consumption.
2. The oil confiscated according to Article 1 of this decision shall be withdrawn gradually and according to refining requirements in the Medreco refinery.
3. This decision shall go into force as of today.

This decision has been conveyed to the tapline company director in Lebanon by telephone and became official after it was pasted on the door of the company.

Minister Baydun received a call from the company director, saying that the company will comply with the confiscation decision and that it has given instructions to its employees to resume providing the refinery with crude oil. Minister Baydun received a telephone call yesterday evening from the tapline company director who said that the main office of the company decided to stop pumping crude oil to Lebanon and the Medreco oil refinery.

Minister Baydun, who briefed President Sarkis and Prime Minister al-Wazzan on the confiscation decision and the details of the tapline company decision, expressed his surprise at the way he was notified with the decision by telephone. He said that this contravenes any acceptable norms, particularly as it was put into force immediately. He said: I informed [Saudi] Ambassador al-Sha'ir about the tapline company stand. He contacted the Saudi officials immediately. We are following with him the efforts to tackle this issue.

CSO: 4304/135

BRIEFS

PHALANGISTS IN ISRAEL FOR TRAINING--According to information received from al-Ashrafiyah [in eastern Beirut] this morning, the Phalangist Party sent 150 of its members to the Zionist entity 10 days ago for special training. The information also says that a member of the Phalangist War Council accompanied these Phalangist elements. The information, which was published in some of the Lebanese newspapers today, says that Phalangist armed men in al-Ashrafiyah have recently received an arms shipment from Israel which included some tanks. The Lebanese press reports say that Syrian Foreign Minister 'Abd al-Halim Khaddam related this information this week to some of the Arab Followup Committee members. [Text] [NC280720 (Clandestine) Voice of Palestine in Arabic 0645 GMT 28 Aug 81]

CSO: 4304/135

LIBYA

AL-HUMAYDI DISCUSSES EFFORTS TO MOBILIZE CIVILIANS

Beirut AL-SAFIR Supplement in Arabic 11 Jun 81 pp 1-2

[Report on Interview with al-Khuwayldi al-Humaydi; in Tripoli; date not specified: "Al-Humaydi Says, 'The Armed Populace Is a Contemporary Notion Inspired by Libya's Battles'"]

[Text] "Palestine will be liberated by the armed populace; 'the cause' is the guardian against Fascism."

"Every citizen must become a fighter so that the revolution and wealth can be protected."

Maj al-Khuwayldi al-Humaydi is one of the Free Officers who instigated with Mu'ammarr al-Qadhdhafi the revolution of the first of September 1969 in the Libyan Arab Jamahiriyyah. He is the commander of the civilian mobilization project and the person who oversees the application of the slogan, "the armed populace." There is nothing in his features, in his general appearance or even in his clothing to suggest any form of cruelty and haughtiness usually associated with traditional military men.

He is one of all of them, committed to the extreme simplicity which is the general characteristic of the Libyans. Neither the official duties of his responsibility nor his involvement in civilian life has been able to affect that simplicity. Because he truly preserves the feelings of the Arab citizen who is a true believer, as all the Libyans are, one tends to find his conversation consistent with everything in the man. His is a conversation that is free of heroic display, jingling words and resounding statements. It is rather a conversation that flows sadly and quietly, interrupted occasionally by angry statements that are as rife with bitterness as they are free of vainglory.

At the Civilian Mobilization headquarters in al-Sidi Street in Tripoli we met Maj al-Humaydi so as to hear from him directly about the Libyan experience in civilian mobilization and the application of the statement, "weapons at the people's disposal."

The first question [we asked] was about the historical foundations upon which the armed populace experience in al-Jamahiriyah was based. [We asked about] the relationship of this experience to recent Libyan history, to the mobilization of civilians and to the establishment of supporting groups in other countries.

Maj al-Khuwayldi affirmed at the outset that there was no relationship in this regard between the Libyan experience and the experiences of other nations, "even though we are trying to take advantage of the experiences of these nations despite the fact that we have not imitated any of them so far. We have only heard of the Swiss experience, for example, but we are not familiar with it, and we did not try to derive any benefit from it."

Al-Khuwayldi added, "What we are doing is the beginning of an integrated study and an integrated action. Our purpose is not to imitate other nations. Our purpose is to give every citizen a gun so that the weapon and its serial number would be recorded in that person's identity card just as his blood type is. Every citizen would thus have a military identity.

"Above all our experience draws its foundations from our history, from the history of Libya's battles. It is one in a series of episodes of this battle. We found old documents indicating that Libyans were asking for the formation of popular resistance militias. We must bear in mind that 'Umar al-Mukhtar was not a military man with the rank of a field marshal or a general. But, the Libyan people did nevertheless arm themselves with all the simple materiel they could get their hands on; they followed 'Umar al-Mukhtar and achieved victory over generals and emperors.

"What tied the Libyans together was the factor of religion and that of nationalism. Thus, the current experience is a process that seeks to tie the past and the future together; we are now realizing the aspirations and the dreams of Libyans in the past."

Al-Khuwayldi went on to say, "For this reason a decision was made by the Revolutionary Council in 1972 to establish the popular resistance. Before 1972 students were being trained, and weapons were distributed to all the schools during the training. The motivation behind this was to prepare young people so they can face any danger that may result from a possible dispute between us and the United States which was forced to evacuate its bases from the territories of al-Jamahiriyah. We wanted to have a basic foundation of defense."

He said, "Our experiment is also not affiliated with western historical principles. It may thus be an incentive for other nations. We neither ignore nor abbreviate any of the experiences of foreign nations, but this experience is not imported; it is in fact [an attempt] to tie the historical past with the present. All Libyans fought the conquering Italian armies and became involved in innumerable fights and battles throughout the days of the war. If we wanted to celebrate the past or if we wanted to commemorate the anniversaries of past battles, we would need at least one third of the days of the year since Libyan battles in the past were fought over all

the territory of al-Jamahiriyah. Libyans used to fight as free men; they fought for freedom, not for power. Therefore, we repeat that what is happening now is [an effort] to tie the past with the present.

"Before the revolution the Libyan people were denied the right of observing the anniversaries of the battles they fought against the conquerors all along the coast. The Libyans used to fear the objections of the Italian ambassador or the Italian community in the country. In addition, every member of the pre-revolutionary governments was the partner of an Italian or a Jew in a business or an interest. Hence, one of the most serious decisions that was made after the revolution was that of ousting the Italians from the territories of al-Jamahiriyah. This was the revenge for our fathers and grandfathers who had been vanquished, humiliated and forcibly driven from their homes so the Italians could seize them.

"Our purpose from this experiment is to avoid the repetition of what happened in 1911 when Fascist Italian colonialism invaded the Libyan shores. We are saying there will be no colonialism after the revolution of 1 September. Since the map indicates the large area and the territorial vastness of al-Jamahiriyah, the revolution remains the significant factor in the light of the fact that there are many enemies to the east and to the west who declare their hostility to Libya because Libya speaks the truth."

Libya Is Being Targeted

The commander of civilian mobilization said that Libya was being targeted by the rulers of Egypt and Sudan, by Israel and even by Europe and chiefly the United States. "Its wealth is also being targeted because wars are now economic wars as they were in the past. Examples of this are World War I and World War II which were intended to allow the seizure of the wealth of nations and other countries. These wars brought us mistreatment and destruction."

Al-Khuwayldi al-Humaydi went on to say, "This wealth, this revolution, this small number of people and this vast area of land make it incumbent upon us to train all Libyans.

"This is also consistent with another military rationale which [pertains to] the evolution of weapons. War is no longer fought on the borders. There are now missiles that cross the borders; and there are nuclear missiles, nuclear submarines and long range airplane fighters and bombers.

"In our case even if the regular army were to amount to 1 million, that [figure] would still be inconsequential because the movement and the range of modern weapons is faster than the movement of an army."

Protecting With Weapons

Al-Khuwayldi explained, "We in the Libyan Arab Jamahiriyah are trying to protect the revolution's accomplishments by [using] a whole range of weapons. For what would be the use of a factory when one does not have the weapons to defend it?

"What would be the use of the (Abu Kammash) factory if it is attacked by 106 mm artillery fire with which you in Beirut are familiar?

"Therefore the existing evolution of development in Libya must be accompanied by an evolution in defense. [These two must go together] like truth and power. Now it is power that creates and protects the truth. It is power that will create and protect the Arab right. Israel has created evil: it is protecting this evil by force, and it wants to impose its existence and its conditions. If we continue in the same [mode of] decline, we may reach a situation when we find Israel dictating to us its wishes as individuals and giving us instructions on how to conduct ourselves on a daily basis. As our brother, the colonel said in one of his recent speeches, it would tell us what to do and what not to do inside our homes.

"This great and pure past of the Libyan people must be tied to the present and to the future so that the present and the future can be more radiant."

In a return to recent history al-Khuwayldi referred to the fact that the Libyan army was not an army in the true sense of the word when the revolution broke out. "Power and the right to bear arms belonged to the police and the mobile force which had advanced weapons and helicopters. Nevertheless, with determination and with few weapons we were able to bring the Wheelus [Air Force] base in west Tripoli to a standstill. We told the Americans that any airplane leaving the base would become a target for our artillery and that if such an airplane were to try to bomb us, the consequences would be worse. The United States heeded this warning, and we realized from the first moment that the United States was cowardly because it was only interested in its own interests.

"Thus, Washington which in 1969 was not able to stand up against us and bring us around is now trying to avenge itself. The expulsion of members of the Libyan People's Bureau in Washington is no more than part of this revenge process. It may be its revenge for what we did to it and to its bases in 1969."

Al-Humaydi added, "Preparations for future battles that will be forced on us by colonialism must be made. For this reason we consider the resolutions issued by the recent emergency meeting in Tunisia of Arab ministers of foreign affairs regarding the current situation between Syria and Israel to be nothing more than a farce. All that the Arabs of the League did was to say, 'We are with Syria!' even though war may break out in a matter of hours or days. We were hoping that the other Arabs would follow in our footsteps, declaring their solidarity with Syria and with the Palestinian Resistance in practical steps, even if these were [no more than] sending units of their presidential or royal guard to the borders of Palestine."

Al-Humaydi went on to say, "If one wants to prevent war, one must prepare for it. The fact that one is not prepared for war encourages war. This is a fact that prevails in major international relations."

The history of Libya's war continued to press itself on al-Khuwayldi's memory. He repeated that the object of arming the people was to tie the past and the present. "The Libyans have endured much from the Italians, but at the same time they did get rid of many conquering groups.

"Since there is no immediate foreign enemy threatening Libyan territory at present, the status of relations between Libya and its neighbors makes it incumbent upon the revolutionary command to remain vigilant and prepared for a war that may be launched against us by those neighbors, even Egypt. Such an attack would be [tantamount to] a stab in the heart, but, ultimately, we say this is the challenge. Our dignity is above every other consideration."

In a reference to the declining Arab situation and to Arab helplessness in front of the Zionist enemy, al-Khuwayldi al-Humaydi compared this situation with the stern positions that the Jamahiriyah assumes in its policies. Then he brought to mind the recent visit of Col Mu'ammarr al-Qadhdhafi to Moscow by saying, "This is the revolution that proclaimed from atop the Kremlin that God is great. It did so both by singing the Libyan national anthem and by sounding the call to the noon prayer in the heart of Moscow."

He went on to say, "Al-Qadhdhafi is accused of terrorism and of violating international order at the time when the skies over Mecca are filled with AWACS airplanes. This is the situation we find ourselves in, and this is the situation the Arabs find themselves in."

Al-Humaydi adds, "Therefore, we give the wealth, the power and the weapons to Libyans whereas the other Arab oil countries celebrate the increase of their deposits in western banks every year. How do these Arabs compare with the Libyan citizen who lost an eye and came to us to volunteer to bear arms? We turned that citizen down because of his visual disability, but we relented when he swore that he would go home and divorce his wife if he could not join the military regiments. How do the other Arabs compare with the men who are 70 and 80 years old who come to us asking that they join the military regiments and the receive training in bearing and [using] weapons? The people of the Gulf ought to tell us how the millions of dollars will help them if they cannot protect their land?"

During our field visits to the mobilization and training sites we met a cross section of young men and young women who would be the envy of young people in other Arab countries because of their awareness. When one of the young men was given the choice between a sleek German-made car and a tank, he was not able to give up one for the other. But his response was that he wanted the car for himself and that he would work hard to acquire it. And then he said that the comfort that this car would give him would not be complete because it would not be protected by a tank.

One of the young women was given the choice between completing her training and marriage, and she chose both. She said that she would not turn down a bridegroom if one were to come along, but that she would insist on continuing her weapons training so she can protect her children.

The comment that Maj al-Humaydi made [on all this] was that the young man could not help but be truthful. "If he had said that he wanted the tank, he would have been lying. We do not want the citizens to deceive themselves or to deceive us."

As far as the female student was concerned, al-Khuwayldi seemed enthusiastic as he wondered, "What is the value of a woman who cannot defend her children in case her husband is absent or gone? We do not want in the Jamahiriyyah women who moan and scream if their husbands are hurt or gone. The Libyan maiden has relinquished the cosmetics, the trinkets and the perfumes of Paris so she can fight. For her and for the Libyan man the scent of the military suit is a desirable scent. The free woman in Libya will not be the woman who wears a skirt that does not cover her knee; the free woman will be the woman who wears the military suit because she will be more secure and more assured, and she will be safe from attempts to attack or rape her."

The Peace Dove

Throughout the interview that lasted more than 2 hours Maj al-Khuwayldi did not stop his occasional references to local and Arab conditions. This tendency to expatiate and to discuss awareness had the upperhand [during the interview]. For this reason he went back to talk about the Arabs, Palestine and peace.

"If the Arabs were truthful with each other and if they would stop talking foolishly about liberating Palestine... How are they going to liberate it? By competing with each other? By fighting each other? Are they going to liberate Palestine with olive branches and a peace dove?"

Then he said sharply, "Our slogan is let the dove of peace be slaughtered, and let it be broiled on the olive branches. Without liberation the olive branches will be destroyed. The olive branches are being destroyed and burned every day in Arab lands. What is happening in Lebanon is evidence of this. There Israel is burning the olive, grape and orange trees; it is burning the vegetation and everything that is green as well. It is death that will liberate the lands of the Golan, Sinai, Palestine and south Lebanon. We will not worship the dove as the Indians worship the cow."

Al-Humaydi went on to say, "Before Islam the Arabs produced nothing besides the seven al-Mu'allaqat [heroic poems]. The question for those Arabs was a personal one. The wars of 'Antarah and others were intended to show no more than personal heroism; they were not intended to defend the family, the tribe or the nation. But after Islam and [its] message the question became that of all the people. Today, the oil Arabs and the Gulf Arabs are very much like their pre-Islamic ancestors. All their efforts now are focused on their funds which are deposited in the banks of Europe and [spent for] the female slaves that are brought to them from everywhere, from the Philippines, India and from Pakistan."

This bitter note in al-Khuwayldi's conversation continued. "If we want to liberate Palestine, it will most certainly not be liberated by those who have military rank or by wars like those that were fought in 1967 and 1973. Nor will it be liberated by the Jerusalem committee that is chaired by one who is conspiring against Jerusalem.

"The gun is the only thing that can prevent the Arabs from going under. Numayri has now joined forces with al-Sadat, so who will punish al-Sadat now for his treason? The Palestinian gun must be aimed at some of the Arab leaders before it is aimed against Israel. It must be aimed against the master traitors. Numayri could not have received al-Sadat had this gun been aimed at its proper target first."

The Role of Students

In the Libyan Arab Jamahiriya and in the context of mobilizing civilians students play a primary role among those roles that are being prepared for the armed populace. In view of what we heard during the lively conversations with the students at the sites which we visited, and in view of the intense, specialized training they are receiving and also in view of the 33-year old Israeli experiment which is transforming every Jew in occupied Palestine into a fighter, the question was this: Is training alone or training plus maneuvers enough to create a Libyan Arab fighter who can confront the Israeli fighter, the veteran of four wars, who has always chosen his timing and his weapons?

Al-Khuwayldi said, "Within the framework of the armed populace we want to create an army of students. We will train them and we will distribute them to the formations and the areas. The objective of the training program is to create this army of students by 1986. This will be a regular general army; it will be the nerve center and the active and effective factor in the framework of the armed populace structure. Students who are pressed into this army will have command responsibilities on all the lines. Every student and every citizen will assume his true position in this process. We have in the Jamahiriya 1,050,000 male and female students who will make up our great army or our armies in the future. This figure includes all the students from the elementary grades; it includes the young boys and the young girls who were born since 1 September 1969 and who are now attending elementary and preparatory schools."

Al-Humaydi added, "By 1990 the student sector will make up almost one third of the Libyan people, and those students will be in the ranks of the armed populace. They are the people of the future. As of 1980 every school gate has become a gateway to the military college or to a military organization.

"Education in Libya is mandatory until the preparatory stage. Thus every student in school is compelled to receive military training. The school is the gateway to the militarization of the people, and we expect the members of the Libyan nation to become fighters in a few years. The schools are the bases where Libyan men and women are trained in the use of weapons. The role these students will play will be the foundation of the country's defense which will require skills in the use of all kinds of weapons.

Accordingly, the course of study will be changed and directed towards specialization in civilian subjects. We will begin moving along in the courses of study that are determined by students' wishes.

"As far as Israel is concerned," Maj al-Khuwayldi added, "we do not believe that the skill and the efficiency of the Israeli soldier were effective factors in the defeats that befell the Arabs. More than anything else, the problem is psychological. Israel has managed to convince the Arabs that they are less capable than it is, and now the Arab doubts himself and his abilities. We in al-Jamahiriyah are trying to prepare the soldier in peace time, and we are trying to create for him the atmosphere of battle. We force the soldier into maneuvers wherein he would face hypothetical situation [similar to those] he may face in a war. Our purpose is to have the Libyan citizen be well prepared for combat. Therefore, we are trying to provide him with good training and good leadership, and we are looking forward to the future when he will be on the same level as that of the Israeli soldier."

Maj al-Khuwayldi went on to add bitterly, "But we are facing an Arab problem on this field: we are being discredited for our action so that Israel can be served. There are Arab regimes that meet with Israel and Washington and call us terrorists. They accuse us of arming ourselves to the hilt, and they fault us for our relations with Russia. This is a problem that goes beyond the Arab area and includes the African continent also."

Social and Economic Effects

With regard to an Arab country such as the Libyan Arab Jamahiriyah which is listed socially among the very conservative countries, a major question is being raised about the effects of civilian mobilization on the social course of the country since young women at first left home to go to school and then, at the present stage, they are leaving school to go to camp.

Maj al-Khuwayldi began answering this question by affirming that the principal objective was first and foremost the creation of a society that has wealth, power and weapons.

He went on to say, "It is power and wealth that any greedy person covets. Such a person tries to achieve his objective by the force of weapons. People may attain wealth and power, but weapons constitute the highest point of power. When we give people weapons, we would be establishing real equality among individuals."

He added, "There is no doubt that the experience of arming the populace will introduce into the lives of Libyans the factor of control and discipline, and they will become just like the military. Discipline, respect and appreciation will prevail in the laboratory, in the school and in service institutions.

"When we introduced military training into the colleges of the university, the situation changed as far as the professors were concerned. The students

became disciplined and more respectful of their professors. They became more devoted to their studies and more appreciative of them. What we are trying to achieve is popular militarization not Fascist militarization. That is, we are trying to create a citizen who is as intent on what he produces in the field as he is on what he produces in a war. What the citizen will produce in a plant will destroy economic monopoly, and it will also destroy the aggressor. The challenge of the people and the leadership to everything they face increases as that challenge increases. To achieve that the accompanying economic, cultural and social power must be furnished."

Al-Khuwayldi dealt with the subject of men and women and stated that matters were no longer separate between men and women in the Libyan Jamahiriyah since women were no longer at home [exclusively] with men being found in the office, the factory, the farm or the camp. "Men are being called upon to give women the opportunity to become physicians, teachers, nurses, civil servants and workers in factories."

He said, "In the past few years Libyan women have taken a major step forward in the areas of medicine and in other suitable professions."

He added, "But freedom for Libyan women will not be absolute freedom, since both men and women have limits to their freedom because our religion and our traditions must be observed. We see no freedom for women when they shed parts of their clothing every day. However, the military suit that women wear is one of the components of this freedom. Libyan women do have a role to play, but it is a role that does not make them overlook their responsibilities to men or make men overlook their responsibilities to women. Freedom for women will be measured by women's contribution to society."

In this lengthy interview there was some question about the fear that "militarizing the people" in Libya may turn them into a Fascist or a Nazi people as was the case in Germany and Italy between the two world wars.

Maj al-Khuwayldi said without delay, "Fascism in Italy and Germany was the Fascism of an individual. We here have presented the subject from a historical perspective. Our intention was not to turn the people into a Fascist people, but our intention was to avoid a repeat of what happened in 1911 and what happened in 1977 when al-Sadat moved his forces on our borders. Thousands of Egyptians died in the events of 1977, and al-Sadat is now making preparations for a second operation. The evidence for this lies in the death of his minister of defense and 13 other generals about 3 months ago. The generals controlled all the branches of the Egyptian armed forces. Do not believe that they were on a pleasure ride in a military helicopter over the Siwa oasis near our borders.

"Furthermore, faith in a rightful and just cause is a guardian against Fascism and Nazism. We believe in our nation and in the inevitability of its unity. It is for our nation that we are arming ourselves and preparing our people."

He added, "We do not mean [to imply] that we are making preparations to fight Egypt. We must remind [people] first that it was the popular conferences that decided on the disengagement with the Egyptian army and, consequently, on the withdrawal of our forces far from the borders. However, if a battle is forced upon us by al-Sadat, we will fight. If Numayri forces a battle on us, we will fight too. Above all else we are preparing ourselves to take part in [the battle for] the Arab cause. If the battle for that cause is not imposed on us, we will impose it ourselves. We will train the Libyans to use weapons, and we will send them in every direction. We are now preparing ourselves for a battle that may be imposed by Begin, Reagan or by France."



Al-Khuwayldi al-Humaydi

8592
CSO: 4504/54

FOOD PRODUCTION PROJECTS REPORTED

London JAMAHIRIYA REVIEW in English No 14, Jul 81 p 18

[Text]

SELF SUFFICIENCY in food by the turn of the century is a key aim of Libya's planners. The new \$62.5 billion five year development plan calls for the proportion of food requirements met by domestic production to increase from the current 53.5 per cent to 62 per cent by 1985. It is expected that Libya will be producing 35 per cent of its processed food requirements by the middle of the decade, compared with the current 27 per cent.

Food output will be boosted by two major agro-industrial contracts awarded in recent weeks, one to Holland's HVA and the other to the Danish Danfarm Contractors. The \$122.2 million HVA contract is for the supply and management of a major milk products and poultry processing plant to be sited at Ghat Sultan, 55 kilometres from Benghazi. The plant will produce 9,000 litres of milk per day from 600 milking cows, and 5.5 million broilers per year. The totally integrated scheme will have an animal feed mill, milk processing and bottling plants, a poultry slaughterhouse and a yoghurt making plant. The scheme is for completion in 30 months, and HVA's five year management contract starts one year after the start of construction.

In May it was reported that the Danish consortium Danfarm

Contractors had won a \$168.4 million contract for a similar plant to be located at Wadi al Hari, 70 kilometres south of Tripoli. The production and facilities will be identical to the Ghat Sultan scheme. The Wadi al Hari plant is for completion in 36 months and Danfarm will manage it for five years, starting one year after the beginning of construction.

HVA won a \$129.9 million contract earlier this year for another agro-industrial project of the same type, to be sited at Taourgha, some 60 kilometres south of Misrata. All three schemes are based on a feasibility study prepared by the Danish firm Danagro Adviser for the Land Reclamation and Agrarian Reform Secretariat.

The Jamahiriya's drive towards food self sufficiency was also underlined by the recent confirmation from a West German consortium that it has a \$162.9 million contract to build three animal feed mills. Büfinger & Berger will do civil works valued at \$87.7 million while Buehler-Miag will supply mechanical and electrical equipment worth \$75.2 million. The mills are for Benghazi, Tobruk and Sirte, and are scheduled for completion in 1983. Each will have an hourly production capacity of 40 tonnes of mixed feed for poultry, cattle and sheep, and each will have a 25,000 tonne silo.

CSO: 4500/38

RA'S AL-UNUF PETROCHEMICAL PROJECTS OUTLINED

London JAMAHIRIYA REVIEW in English No 14, Jul 81 pp 16-17

[Article by Alan George]

[Text]

THE TINY coastal village of Ras Lanouf, on the Gulf of Sirte some 350 kilometres south west of Benghazi, was once the site of Mobil Oil's crude oil export terminal — but of little else. Now it is being transformed into the largest petrochemicals centre in the Jamahiriya, and one of the largest of Libya's new industrial towns. At the heart of the developments is a giant oil refinery. This will supply a major ethylene plant, whose output will feed a range of other petrochemicals plants. A new port is being built from scratch. Desalination plants are being established to ensure adequate water supplies. A major oil pipeline is under construction to bring crude from the desert oil fields. And to house the expected influx of workers and their families two adjacent new towns are being created.

Ras Lanouf is one of a series of coastal sites in the Jamahiriya that are being developed into major industrial cities. The new industries will assist in the diversification of the economy to which Libya is deeply committed, while the new centres will also help bring about a more even population distribution. The Jamahiriya's planners are concerned about the concentration of Libya's population in Tripoli and Benghazi, the two major cities, the result of the rapid influx of rural dwellers in the early years of the oil boom when the towns offered attractive employment opportunities.

The high hopes the Jamahiriya places in the industrial sector as a means of diversifying the economy are reflected in the scale of the allocations for industry in the new 1981-85 development plan, unveiled last January. \$13,509.9 million — 23 per cent of the total plan expenditure — is earmarked for industry, more than for any other sector. The determination to industrialise is also underlined by the sector's projected 21.6 per cent average annual growth rate during the plan period, more than twice the 9.4 per cent projected annual growth rate for the economy as a whole. And within the industrial sector, the plan calls for special emphasis to be placed on capital intensive heavy industries of the type being established at Ras Lanouf and the other emerging coastal industrial cities. This makes a lot of sense in Libya, where there are abundant funds for investment but a relatively short supply of labour.

The petrochemicals complex was first mooted by the Jamahiriya's Heavy Industry Secretariat in 1976, and was initially planned for Tobruk, on the north east coast. In July 1977, however, the Egyptian ruler Sadat launched a military assault against the Jamahiriya. This was seen as a clear indication of Sadat's increasing isolation from his fellow Arabs as US pressure mounted on him to capitulate to the Zionists. The attack was repulsed after fierce fighting, but it

naturally prompted the Jamahiriya to question the wisdom of locating the proposed major industrial complex little more than 100 kilometres from the Egyptian frontier. Ras Lanouf was chosen as a more secure site, and the first work began in 1978.

At the core of the Ras Lanouf developments lies a \$300 million oil refinery. Its planned eventual capacity of 280,000 barrels per day will make it the largest in the Jamahiriya. Early last year Saipem, the contracting arm of Italy's state energy agency, Ente Nazionale Idrocarburi, won a \$40 million contract for the construction of the first phase, which will give the refinery a daily capacity of 220,000 barrels. Work started in spring 1980 and is scheduled for completion in September. The second phase, the contract for which has not yet been awarded, will involve the construction of a petroleum gas liquefaction plant.

The refinery will supply the raw materials for a 330,000 tonnes per annum capacity ethylene plant, the \$60 million construction contract for which was won in January last year by Italy's Belleli Industrie Meccaniche. Completion is scheduled for the middle of 1982. Other major contracts for work on the ethylene plant have rivalled, and even exceeded, the value of the construction contract. Early this year it was reported that Japan's Meisei Industrial had won a \$49.2 million contract to insulate, fire-proof and paint the plant, with completion in February 1983. At about the same time it was reported that Italy's Carlo Gavazzi Impianti has a \$9 million contract to install instrumentation and automation systems at the plant. In spring last year it was disclosed that Forboro-Yoxall of the UK had won a \$2.2 million contract to supply a process control system. Part of the contract provided for the training of Libyan engineers. And last year AEG-Telefunken (UK) won an order worth more than \$1 million to supply motor control centres and other equipment for the plant.

The giant ethylene plant is the key to a range of other petrochemical projects planned for Ras Lanouf. These include a 68,000 tonnes per annum capacity polypropylene plant, a 52,800 tonnes per annum monoethylene glycol plant, a 60,000 tonnes per annum low density polyethylene plant and a high density plant of similar capacity. The capacity of the latter two plants is planned to rise to an eventual 100,000 tonnes per annum. In addition, factories will be built to produce ethylbenzene (aromatics), polystyrene, polybutadiene (synthetic rubber) and

acrylonitrile (synthetic fibre). Construction contracts for these plants have yet to be awarded, but licensing agreements have been concluded allowing the latest technology to be employed at the monoethylene glycol and polypropylene plants.

Crude oil for the Ras Lanouf petrochemicals complex will be pumped from the Messala fields, deep in the Sahara, through a 611 kilometre pipeline, the \$162 million construction contract for which was won last year by Japan's Nippon Kokan and Marubeni Corporation. The contract also calls for the construction of four generating stations, three oil storage tanks and camp facilities.

A major new port is being built to handle the enormous volume of exports the Ras Lanouf complex will generate when operational. The \$300 million construction contract was won last year by South Korea's Hyundai Construction, and provides for two 5.4 kilometre jetties, 600 metres of quay for general cargo, port buildings and 1,600 kilometres of roads. Some two million square metres of land will be reclaimed and more than 1.5 million cubic metres dredged. The nine-berth port is scheduled for completion by the end of 1983. Plans for the new harbour were drawn up by Britain's Rendel Palmer & Tritton.

With companies from twelve countries supplying equipment for the Ras Lanouf developments, the Azzawiya Refinery Company, which is responsible for the entire scheme, last year awarded France's Société Commerciale des Transports a contract to transport equipment from countries of origin to Ras Lanouf. The work involves moving plant of up to 750 tonnes in weight and 80 metres in height.

Although the emphasis on industry in the new \$62.5 billion development plan is greater than in earlier plans, Libya has been firmly committed to a programme of rapid industrialisation ever since the 1969 Revolution swept away the corrupt regime of King Idris. With the country's vast oil reserves, it was natural that petrochemicals industries should be seen as having enormous potential for development. The progress already achieved is reflected in the growing importance of the Jamahiriya's petrochemicals exports. The first exports came only in 1979, with shipments totalling 195,000 tonnes, but by last year they were already accounting for five per cent of Libya's total exports. This trend will certainly continue as the new plants being established at complexes such as Ras Lanouf enter operation.

BRIEFS

ELECTRIC POWER OUTPUT. The West German engineering company Brown Boveri has just won another deal worth DM 200 million (\$80 million) from Libya to increase the country's power output. The order comes on the heels of a similar one from Bahrain two weeks ago (An-Nahar Arab Report & Memo, August 10). The latest order is to extend an oil-fired station at Tobruk, on the Mediterranean coast, to double its capacity to 260 MW by mid-1984. The station supplies electricity to the growing industrial region in north eastern Libya and also powers a desalination plant. In June, Brown Boveri won a similar contract to extend capacity at the Dema power station in order to meet the new requirements of the country's first large steel plant (An-Nahar Arab Report & Memo, June 29). Both orders were placed by the Libyan Electricity Corporation. /Text/ /Paris AN-NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 p 11/

MARSA AL-BURAYQAH PETROCHEMICAL OUTPUT--The petrochemicals sector is the cornerstone of the Jamahiriya's industrialisation programme and the success of the new plants was underlined on 20th May when the Jamahiriya news agency JANA reported that output at the Marsa Brega methanol plant totalled 322,233 tonnes last year. This looks set to be even higher this year, with JANA reporting that the plant is now working two shifts per day, and produced 96,474 tonnes in the first quarter of 1981--more than one third of the total for the whole of last year. The plant was opened in 1977 and JANA quoted the Jamahiriya's Heavy Industry Secretariat as saying it was one of only two of its type in north Africa. Marsa Brega, on the Gulf of Sirte, is one of the coastal towns that are being developed into major industrial centres. /Text/ /Paris AN-NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 p 19/

POLISH, ITALIAN CONSTRUCTION CONTRACTS--Polish construction companies have been awarded contracts in Libya valued at a total of \$1,000 million, the Polish news agency PAP reported recently. About 10,000 Poles will be working on the contracts by 1984, making them one of the largest European expatriate communities in the Jamahiriya. The contracts were awarded under agreements reached by the joint Polish-Libyan commission, PAP added, but did not say when they were awarded or to which companies. The contracts, for completion in five years, include urban developments in Al Marj, and in the Benghazi and Tobruk areas. More than 6,000 homes and 60 schools will be built. The Italian community of about 15,000 is the largest European expatriate community in the Jamahiriya at present. The UK has about 5,000 expatriates and the US 2,000. Other construction and urban development contracts have been awarded in recent weeks to Italian companies. In May

it was reported that two contracts for sewerage work in Tobruk, with a combined value of \$62.8 million, had been won by a joint venture between Impresit Costruzioni Ricordino Esercizio Acquedotti. Work, for completion in three years, includes building 96 kilometres of sewers and two pumping stations. The joint venture will supply and install electrical and pumping equipment for the two new stations and for four existing pumping stations. Consultant is Britain's Howard Humphrey & Sons. Work is underway on contracts awarded to the Italian firm Enterprise for two office/residential complexes ~~in~~ as reported recently. The combined value of the contracts is \$100 million, and completion is scheduled for next year. The complexes are under construction at Tiji and Nalut, both near the Tunisian frontier. /Text/ /Paris AN-NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 p 19/

DESERT AGRICULTURE SCHEMES--As part of the Libyan Jamahiriya's ambitious programme of agricultural development, a number of irrigation projects have been established deep in the Sahara, using subterranean water supplies. In June a tender was put out for the latest of these projects, to be sited at Tenezoft, in Ubari municipality deep in the Fezzan region of south west Libya. The scheme will cover about 1,700 hectares. The tender includes the supply of a main pipeline to carry water from wells to farm reservoirs, irrigation and power networks, 40 kilometres of paved roads and about 60 kilometres of dirt roads, a drinking water supply system, including a desalination plant, a 36 hectare community centre, and civil and electromechanical works. It is also reported that Portakabin of the UK has won a \$3.7 million contract for the supply of 200 temporary homes for 500 workers at Kufrah, in the desert in south east Libya and the site of one of the Jamahiriya's largest desert agricultural projects. The accomodation is for use by workers on a major housing scheme at the project, the contractor for which is Sweden's Armerad Betong Vaegfoerbaettringar. /Text/ /Paris AN-NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 p 19/

VEHICLE MAINTENANCE CONTRACT--Japan's seven major car and truck manufacturers are to help build vehicle maintenance plants in Tripoli and 43 other locations in the Jamahiriya, according to reports in Japan. The companies are to provide technicians as well as parts and equipment. The popularity of Japanese vehicles amongst Libyans was underlined in April when it was reported that the Honda Motor Company had won an order to supply 12,000 Civic cars. /Paris AN-NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 p 19/

NEW MERCHANT MARINE COLLEGE--ENERGOPROJEKT of Yugoslavia has won a contract to build a merchant navy college in Libya. The announcement reflects both the growing size of the Jamahiriya's merchant fleet and the new emphasis on training in the current five year plan. The delivery on 29th May of the new 155,200 dwt oil tanker Al Fuweihat from a Swedish shipyard brought the fleet to 24 ships, and by 1985 it is expected that 60 percent of all the Jamahiriya's imports will be carried on Libyan-owned vessels. The college, to be completed in three years, will accommodate 400-600 undergraduate students and 100 postgraduate students. Construction will be in two phases. /Text/ /Paris AN-NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 p 18/

CSO: 4500/38

OMAN

BRIEFS

NAVAL VESSELS INAUGURATED--Under the auspices of Col al-Mu'tasam Ibn Hammud, the Omani Ministry of Defense undersecretary, four new ships were inaugurated in a celebration at Sultan Ibn Ahmad Navy Base, in Muscat today. The new ships were recently put in service of the Sultan of Oman's Naval Forces. [Excerpt] [GF311817 Salalah Domestic Service in Arabic 0700 GMT 31 Aug 81]

CSO: 4304/137

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

PAST, FUTURE HEALTH SERVICES, FACILITIES COMPARED

Aden 14 OCTOBER Supplement in Arabic 16 Jul 81

[Article by 'Izz al-Din Kashar: "Health Services Yesterday and Today"]

[Text] Health Institutions Completed during 3-Year Plan (1971-1974)

Kind of Institution	The Source			
	The 3-Year Plan		Popular Initiatives	
	Planned	Completed	Planned	Completed
Hospitals	5	5	--	4
Health Centers	3	3	--	3
Health Units	45	23	--	91
Total	53	26	--	98

(Source: Statistics and Planning Unit, the Ministry of Health)

The first 5-Year Plan (1974-1978) followed the 3-Year Plan in continuing the progress towards firmly establishing the basic foundation of health services throughout the republic; improving the quality of those services by devoting more attention to preventive medicine and placing more emphasis on it; and by adopting the principle of centralized planning, not centralized implementation, with regard to the administration of health services. The purpose of this [effort] is to allow every governorate to manage its own health affairs and launch its creative initiatives to develop these services, free from any centralized restraints that would curb them. For the first time in the context of preventive medicine attention was devoted to care for the health of the environment; to the establishment of working departments of preventive medicine in every governorate within the Health Services Administration; to the emphasis on comprehensive, basic preventive activities; the immunization of children; the provision of necessary care for mothers and school children; and to the battle against indigenous diseases such as malaria, pulmonary tuberculosis, trachoma and other diseases. Three branches of the Health Institute were also opened in the other governorates.

By the end of the 5-Year Plan and until 1980, the total number of health institutions and adjunct facilities operating in the therapeutic field amounted to 367 institutions and facilities. Among those institutions there are 32 hospitals with 2,495 beds and 17 health centers with 267 beds. Thus the total number of hospital beds in the republic amounts to 2,762. This is an increase of 924 beds over 1967; this is a rate of 14.5 beds for every 10,000 persons in the population, compared with 9.0 beds [for the same number of persons] in 1967. The number of health units alone amounted to 276, compared with 97 units in 1967, etc.

The number of local physicians rose until the same year, 1980, to 174. Among them 39 have educational grants. This is an increase of 127 physicians over the number of physicians in 1967. This is a rate of 47 physicians for every 10,000 persons in the population, compared with 0.5 physicians [for the same number of persons] in 1967. The number of qualified nurses during the same period amounted to 1,644. This is an increase of 956 at a rate of 8.6 nurses for every 10,000 persons of the population.

The Number of Health Institutions between 1967 and 1979

Kind of Institution	The Year		The Increase
	1967	1979	
Hospitals	13	29	16
Maternity and Child Care Centers	2	1	--
Health Centers	--	17	17
Public Clinics	7	51	44
Specialized Clinics	--	14	14
Health Units	97	278	181
Sanatoriums and Quarantines	2	2	--
Educational Health Institutions	2	4	2
Total	123	396	274

--Listed from the hospitals.

(Source: Statistics and Planning Unit, the Ministry of Health)

The biggest piece of evidence we can offer [to show] the development of health services in this period lies in the progress we achieved in the field of preventive medicine, which is an important and a basic part of medicine if compared with therapy. In addition to what has already been mentioned more than 6 comprehensive preventive activities and programs have been established, compared with three activities that were in existence until the end of 1967. These [last three activities] are partial activities whose scope is limited and whose work does not go beyond the limits of a few narrow areas in the republic. These activities and programs are:

The Kind of Activity or Program	The Year		The Region
	1967	1980	
1. Maternity Care Centers	2	32 centers	All over the republic
2. Primary Health Care Program	--	1 center	Comprehensive program
3. Anti-tuberculosis program	--	1 center	Comprehensive program
4. Anti-malaria Program	1	1 center	Was a limited program and became comprehensive
5. Anti-schistosomiasis Program	--	1 center	Limited program
6. Program To Combat Contagious Eye Diseases	1	1 center	Was a limited program and became comprehensive
7. Maternity and Family Planning Program	1	1 center	Was a limited program and became comprehensive
8. School Health Activity	--	1 center	limited program
9. Vocational Health Activity	--	1 center	limited program

All this pertains to existing therapeutic and preventive services, but as far the prospects for further development of these services are concerned--and this is also the subject with which we are presently occupied--this is what we will try to discern from the stated facts of the second amended 5-Year Plan for 1981-1985, which is a superior plan, and from development indicators in the health field that are mentioned in the plan. Compared to the two previous plans, this health plan represents an advanced step in a series of significant steps forward in [the area of] health services.

In the second 5-Year Plan emphasis was placed on the following important aspects of the health field.

1. Health and preventive services were expanded and strengthened, and emphasis was placed on school health, maternity and child care, health education, vocational health, fighting schistosomiasis and expanding primary health care throughout the republic.
2. Therapeutic health services in hospitals, health centers and health units were expanded and improved.
3. Pharmaceutical services were regulated so as to guarantee the regular availability of the quantities and kinds [of medication needed]. In

addition, the foundation for all these services was expanded and their quality was upgraded in the various governorates of the country.

4. In the area of developing preventive health services, a number of programs to fight native and communicable diseases, to improve environmental conditions and to provide health care for mothers and children will also be implemented.

The number of people in the medical work force will rise during the years of the plan so that by 1985, the number of physicians will be 514. This is an increase of 326 physicians that provides 2.4 physicians for every 10,000 persons in the population, compared with 1 physician for every 10,000 persons in the base year, 1980. The number of qualified nurses will also increase to 2,131. This is an increase of 487 nurses [that provides] a rate of 9.9 nurses for every 10,000 persons in the population, compared with 8.6 nurses in 1980.

Educational Institutions and Preventive Activities until 1985

Kind of Institution or Activity	Present Number	Planned Number					Rate of Increase
		1981	1982	1983	1984	1985	
Hospitals	29					33	13.7 percent
Maternity and Child Care Centers	1	--	--	--	--	1	--
Health Centers	106	1	1	1	1	17	50 percent
Health Units	274	--	--	--	--	325	18.6 percent
Public Clinics (Tuberculosis + Surgical and Vocational Clinics)	--	--	--	--	--	--	--
Maternity and Child Care Centers		4	4	4	4	4	
Primary Health Care Units		17	20	20	20	20	
Total							

(Source: Statistics and Planning Unit, the Ministry of Health)

We can conclude from the foregoing that the ongoing development in the field of health services is concentrated at present on improving the quality of those services for the purpose of achieving more progress and comprehensive development. Such progress and development are to be based on unity and, on the one hand, on the full integration of the quantity and quality of those services and, on the other hand, on prevention and treatment. [The development of these services] is tied to the requirements of the comprehensive development that is taking place all over the country in the various fields.

The continuous increase in the volume of funds invested in health services in the context of the ongoing development plans is an indication of the growing interest that our party, the Yemeni Socialist party, and the revolutionary government in the People's Democratic Republic of Yemen are affording to health services. The volume of these investments in the first 5-Year Plan rose to 3,410,000 dinars. This is an increase of 2,803,707

dinars, a 4.61 percent increase over allocations in the 3-Year Plan. In the second 5-Year Plan health services allocations rose to 13,227,500 dinars, an increase of 9,817,500 dinars that amounts to a rate of 287.9 percent over the first 5-Year Plan.

This advancement which health services have experienced in the current stage of their development was not isolated from developments in the various aspects of social, economic and cultural life. In fact, this advancement did take place and is taking place in close conjunction with this development in the social, economic and cultural life as part of that development and as complementary to it. This is because the efforts of the party and of the state in Democratic Yemen are directed primarily towards achieving comprehensive development and improving the people's standard of living. [Efforts are also being directed towards] the gradual removal of the historical barriers that exist between the city and the country by means of paying increasing attention to rural areas and developing rural life by taking an interest in and improving the rural, agricultural economy and providing the services and the means of care that are necessary for rural residents.

However, this advancement which health services have experienced and are [still] experiencing during this stage of their development and which we tried to show in the foregoing [portion of our report], does not signify at all that everything in that social sector has taken place and is taking place according to plan. Quite the contrary, there is a number of problems still facing this sector and impeding the course of its progress. Some of these obstacles and problems, however, are not due to conditions that are inherent in this sector's development, but they are rather due to those objective conditions that stem from the facts of the current stage of the revolution's development and the degree of social and economic growth of society's development. These conditions are objective, general, comprehensive and irreversible. What is of concern to us now are these obstacles and problems that pertain to the sector and to its inherent conditions which can be overcome and surmounted by finding out what their causes are, treating those causes, coming up with sound solutions for them and working to put those solutions into practice, [that is], if we are definitely prepared to do so.

Despite the support and attention afforded to them by the party and the state, health services are still facing obstacles and problems because of inherent conditions alone. In our judgment these are temporary obstacles and problems that need more care, not only from the Ministry of Health, but also from all those who are working in the health field and who are related to this important field. Although there is a personal responsibility here, leadership is collective. Among the most prominent of these obstacles and problems, to give an example and not an exhaustive list are [the following]:

First, Health Administration and Health Planning

According to the scientific notion of the term, management is that art without which no activity, regardless of its kind, can be steered, guided

or developed. As far as health administration is concerned--and we are not only referring to the Ministry of Health, but we are rather referring to the health administration in general, from its highest echelons to its smallest health institution--that [body] is still suffering from some problems, especially the problem of weak structure and weak standards. This stems from lack of competence and from the degree of disparity that exists at present between the noticeable expansion and development that have been achieved in health services and the standard of health management whose present [state of] development has not kept up with the pace of this expansion and this development for several reasons. Most prominent of these reasons are:

1. Adequate care was not given from the outset to the various areas of management because the notion of management had been misunderstood and, accordingly, feared. In the past this notion was misunderstood in the same measure that it was misused. The field of management was seen as merely a detrimental area.
2. The basic medical work force, such as physicians, avoided administrative work with leadership [responsibilities] and viewed that work as though it were something secondary. On that basis they refused to assume those management responsibilities under the pretext that administrative work causes medical personnel to lose their scientific knowledge and practical skills. At the same time those people in the medical work force realize that health management is an inseparable part of health activity. In fact, health management with leadership capabilities enables qualified medical personnel to sharpen their talents and gain new knowledge and skills that are even greater than the narrow knowledge and skills they gain from their regular work and narrow specializations. The medical work force also realizes that its contributions to health services are urgently needed so that health management can be improved. This is based on the fact that mere discussions about the weakness of health management would be futile unless such discussions are supported by practical application carried out by this medical work force. This is because in all cases a spectator's position and a player's position differ.
3. There is a predominant feeling in the medical work force that while the administrative field has the greatest [number of] difficulties and responsibilities, it offers fewer opportunities than other areas of medicine do--higher academic qualifications, for example. Meanwhile, the rights, professional scales, etc. of people who are employed in this field are equal to those of others employed in the remaining fields, and this does not encourage people to go into administration.
4. The process of distributing the medical work force--especially the basic work force--lacks proper control. Thus we find some crowding of this work force in one field and in one area but not in others while the health administration field, for example, and areas in their entirety remain lacking in such personnel. This is due to the poor planning that has prevailed in health management for the past years.

5. There is a lack of any kind of analytical study of the problem of the work force in the field of health management, and there are no plans that would overcome this problem and solve it over a long period of time.

Despite the expansion that has occurred in health management over the past few years, the problem continues to present itself since the scope of the expansion did not parallel the major progress that was achieved in the quantity and quality of health services. Such progress requires management that is more advanced and more effective.

Second, Administrative Control and Work Regulations

Just as the existence of good health management is a matter of importance and substance, so is the presence of controls and legal regulations to regulate the course of work as well as the various relationships that exist within the health professions in all health organizations and activities. Work in this field can thus become more thorough, more proficient and more securely correlated to the duties with which it has been charged in every-one of its branches. One who keeps tabs on these occasional phenomena and violations in the field of work and on these gaps and shortcomings that are still perceived here and there--especially in the healing institutions whose relationship with the average citizen is a daily and a direct one--would be able to swear that no such controls or regulations exist. Let us say that if such controls and regulations exist, they are not being put into practice. This suggests that the matter of controls and regulations needs to receive greater attention and that measures that would be capable of overcoming such gaps and shortcomings are to be taken by doing the following:

1. The distinctive conditions of working in the field of health services are to be studied, and administrative measures--or rather legal measures also--are to be taken. These measures are to be formulated as regulations and laws that would regulate [the course of] work and contribute to its development in accordance with the functions and goals with which the area of health services, as an area that is related to people and oriented to their service, has been charged.

2. The various relationships within the framework of health services and in every health organization and activity are to be carefully defined so that duties and functions can be clarified. The relationship between the various health organizations and the other official and popular agencies as well as the required modes of dealing with citizens in this regard are also to be defined.

3. Strictness is to be maintained regarding questions that affect the health and safety of citizens or those that could discredit the profession. Leniency is not to be shown to those who are in any way derelict in their duties. Measures to curb such phenomena are to be taken, including firm, disciplinary legal measures. This is based on the fact that the health profession is simultaneously a patriotic and a humanitarian profession. In so far as its relationship to human life and its defense of this life are

concerned, the medical profession--if compared to military duty--is not less important. Therefore, this special feature ought to be taken into consideration when work related laws are enacted.

4. The process of supervision and follow-up is to be organized as an ancillary aspect [of management] to curb these offensive phenomena and to help in the advancement of the work. This can be done by utilizing the activity of the popular organization committees, by steering that activity in that direction and by developing the work of the health administration.

Third, Political Awareness

Being fortified with scientific knowledge in the area of health services--and in other areas as well--is important so that the standard of these services can be improved. However, this alone is not enough. Health services in our country are related to society, and society has its political goals in life. Therefore, these goals must be defined first, and then action must be taken in accordance with these goals. This requires that the political awareness of those working in the field of health services be raised so they can become profoundly aware of their duties to their people and can perform the duties that have been entrusted to them with full awareness and care.

Fourth, Capabilities and Assistance

Despite the scarcity of resources available to our country, the revolutionary government continues to provide the capabilities that are necessary for the health services sector. However, these capabilities need to be organized so they can be utilized in the required manner. This requires that more care be spent and that every available capability be protected. No form of negligence and wastefulness of these capabilities and public properties, which should be harnessed in the service of citizens, is to be allowed. In return, any such transgression is to be prosecuted; accountability is to become more stringent; and penalty is to be imposed on those who cause such [transgressions].

It is unfortunate that some people do not give their utmost attention to this problem. This is not only true of health services, but it is also true of most sectors. This is the result of inadequate economic awareness and the absence of a sense of personal responsibility for public property and how that property is to be protected as property that belongs to all the people.

In the same measure we must also utilize all the foreign material assistance that is offered to our country in the area of health. We must neither ignore nor neglect any measure of this assistance. We can do so by conducting a more serious follow-up effort of the various parties and by making an effort to implement all programs on schedule. These programs are to be subject to the goals of the development that is taking place in the health field all over the country. Naturally, this requires greater activity on the part of those who are concerned with the matter. They are not to show

any reluctance that would waste or fail to utilize any assistance that is offered regardless of its kind and amount. Foreign assistance, as far as our country is concerned, comes next in line after the domestic capabilities that are available and that must be harnessed to develop and upgrade the quality and the quantity of health services.

It is our own judgment that party organizations in the health services sector are to make a greater contribution to improve the standard of management and to help in overcoming these difficulties. They are to make an effort to raise the level of political awareness of those working in that sector so as to strengthen the leadership role of the Yemeni Socialist party and to carry out its sound policy in this significant social field.

I hope I have provided an adequate sketch of the importance of health services and health plans in our country and of the stages of their basic development as well as the problems and solutions that must be emphasized. I hope I have also given an adequate sketch of the directions in which these services are to develop in the subsequent period in the light of the development plan--the second 5-Year Plan. I hope I have been successful in making this sketch in accordance with my intention to inform the noble citizen about one of the aspects of social life and about the interest that the party and the state in our country are showing in the life of the people.

8592
CSO: 4304/108

PROGRESS MADE SINCE INDEPENDENCE DISCUSSED

GF031535 Doha QNA in Arabic 1320 GMT 3 Sep 81

[Text] Doha, 3 Sep (QNA)—In their editorials today, the Qatari newspapers continue to comment on the great achievements made by the State of Qatar during the past 10 years since its independence on 3 September 1971.

AL-RAYAH says: These past 10 years, despite all the progress and prosperity we have achieved, are nothing but a step on the long march of independence toward which the generations of our people will march with full determination to reach their goals of more achievements on the internal and external levels. They will also work to strengthen this homeland through the grace of the guidance and wise leadership of his highness the amir, Shaykh Khalifah Ibn Hamad al Thani.

The paper also praises the foreign policy of the State of Qatar on the Gulf, Arab, Islamic and international levels. It notes that this policy has given Qatar a respectable status on the international level.

AL-'ARAB says that during the past years and since the dawn of independence, our people have been able to achieve many of their hopes and to translate their ambitions through the grace of the wise leadership of his highness the amir, Shaykh Khalifah Ibn Hamad al Thani.

The paper notes that great projects have been implemented in the industrial, agricultural, educational, health and other fields. These projects have covered almost every part of the country. The paper also praises Qatar's foreign policy on the Gulf, Arab and international levels.

GULF TIMES, which is published in English, says that the past 10 years have shown that Qatar has been able to preserve its genuine, noble and national identity and that it has been able to choose its path toward a prosperous future. The paper also praises Qatar's strong support and aid to the Palestinian people's question.

CSO: 4304/137

SWEDEN WINS SECOND DAIRY CONTRACT

Paris AN-NAHAR ARAB REPORT & MEMO in English No 34, 24 Aug 81 page not given

[Text]

The Swedish group specialising in agricultural and food processing engineering, Alfa-Laval, has won a second turnkey contract in Saudi Arabia for a \$93 million expansion of a dairy farm close to the capital, Riyadh. The contract, awarded by the Saudi Arabian Agriculture and Dairy Company (SAADCO) follows an earlier one of \$200 million, for the first phase of the project undertaken by Alfa-Laval.

The farm, destined to become the world's largest integrated farm for milk production, according to reports from Stockholm, was set up in 1979 on desert land. Although the contract announcement did not say what target dates for completion were, it is known that the farm when it is finished will contain some 25,000 heads of cattle imported from the Netherlands and the US. Of these, 10,000 are to be milking cows which are expected to produce between 150,000 and 200,000 litres of milk a day.

Alfa-Laval is scheduled to finish the construction part of the project within twelve months, when the present number of 3,600 milking cows could be doubled.

The expansion contract includes the cultivation of all 2,500 hectares of land held by SAADCO, which is prepared and irrigated to provide 10 annual harvests of grass and alfalfa. The dairy itself will also be enlarged and a new distribution centre with refrigerated storage space will be built in Riyadh.

To meet the expansion costs, SAADCO is raising its capital 10-fold to SR 100 million (\$29.3 million). The remainder of the necessary funds for the project is being provided by an SR 240 million (\$70.3 million) bank loan put up by 11 banks and led by the Saudi

Investment Banking Corporation.

The Swedish group has a 12.5 per cent stake in SAADCO, a Lebanese partner has another 12.5 per cent and the 75 per cent majority share is held by Prince Abdallah al-Faisal.

Officials of the Swedish group regard the SAADCO project as proving the viability of large-scale dairy farming even in the most arid parts of the Middle East. The group spent two and a half years studying the geology and climate of the site before the farm project was launched.

CSO: 4300/98

SULTANATE OF OMAN

BRIEFS

PLANS TO BOOST TOURISM--In a bid to boost Oman's annual income, the Ministry of Commerce and Industry is planning to provide several new tourism projects throughout the country. An amount of R.O. 9 million has been allocated by the government for the projects, including in the ministry's second five-year plan. Quoting an official of the Tourist Department, it was reported that the Ministry had approved the move following a survey carried out in various parts of the Sultanate. These projects include the construction of a five-star hotel near Seeb International Airport. The new hotel, which is expected to be ready by early 1983, will have 170 rooms, swimming pools, playgrounds and other facilities for tourists. Among the other projects is a plan to build a leisure centre on the coast opposite Port Qaboos. The centre will have a large restaurant to accommodate 150 persons at a time, and will also have children's playgrounds and a harbour for boating. Similar smaller centres will be provided on the Capital's beaches at Bustan, Bandar al-Khairan and near the Inter-Continental. Work is due to be completed by the end of next year. /Text/ /Muscat TIMES OF OMAN in English 20 Aug 81 p 1/

CSO: 4300/99

MUSLIM BROTHERHOOD AMBUSH UNIT IN ALEPPO

NC211322 Beirut Voice of Lebanon in Arabic 1215 GMT 21 Aug 81

[Text] A number of Syrian special units personnel were killed in an ambush in Aleppo and Hamah. Huge demonstrations were staged in the city of Aleppo. We have received the following report on the situation:

At 1130 yesterday, a Syrian special unit vehicle was destroyed on the Aleppo airport road, four of its occupants were killed and a large number of soldiers were injured. It was reported that a Renault car exploded while the Syrian military vehicle was passing.

Yesterday morning, massive demonstrations were staged in Aleppo, shops were closed and traffic was crippled in protest against the actions of the special units and soaring prices. Placards were seen asking for the Syrian soldiers--who were sent to Lebanon and whose fate is unknown. This came after bodies of a number of soldiers who were killed in the Tripoli incidents were handed over to relatives in Aleppo. The demonstrators clashed with Syrian soldiers using stones and batons. A number of people were injured and others detained. In the localities of Bab al-Nayrab and al-Kallasah [in Aleppo] which are under siege by the Syrian special units in search for Muslim Brotherhood members, a number of people were injured as a result of skirmishes between the people and the soldiers.

The Muslim Brotherhood distributed leaflets calling for rebellion against the authorities and threatening to bomb government establishments and assassinate [officials]. The report said that the cities of Aleppo and Hamah are witnessing an atmosphere fraught with concern and fear over the current campaign to arrest teachers, professors, engineers, intellectuals, and politicians.

CSO: 4304/135

SYRIAN POUND GAINS STRENGTH, BRINGING BROAD ECONOMIC GAINS

Paris AL-MUSTAQBAL in Arabic 4 Jul 81 pp 49-50

[Article: "Syrian Pound Regains in 2 Days What It Lost Over Several Months; the Parallel Money Market Has Fulfilled Its Promises for the Syrian Pound; Decisions for the Guidance of the Economy Lighten Imports and Reduce the Demand for Foreign Currencies; Arab Aid Improves Syrian Balance of Payments and Relieves Some Pressure on the Currency"]

[Text] A few weeks ago, the Syrians were using every possible means to convert their Syrian pounds into other currencies whose exchange rates were rising relative to the exchange rate of their currency. But just a few days ago, these same people were lining up in front of the windows of Syrian Commercial Bank branches offering up their foreign currencies in exchange for Syrian pounds before they could be caught by a new drop in the exchange rates of foreign currencies relative to the Syrian pound.

How and why did the Syrians do this? How long will they continue this trend? The answers are contained in the following report.

On the previous Monday, 22 June, the exchange rate of the Syrian pound experienced a substantial gain over all foreign currencies, ranging from 20 to 25 percent above the previous day's exchange rates.

On Syrian markets, the exchange rate of the Syrian pound went from 635 Syrian piasters per dollar on Sunday, 21 June, to 570 Syrian piasters per dollar on the following day. The same trend was observed on the Syrian markets and the Beirut free market with respect to the Lebanese lira, with the exchange rate of the Syrian pound going from 68-69 [Lebanese] piasters on Saturday, 20 June, to 74-76 piasters on the following Monday.

This upward movement of the exchange rate of the Syrian pound relative to foreign and Arab currencies continued on Tuesday, 23 June. The exchange rate for this day was 545 Syrian piasters per dollar in the Syrian markets and 79-81 Lebanese piasters per Syrian pound in the Beirut market.

This clear improvement in the exchange rate of the Syrian pound relative to all other currencies and the fact that such a large increase occurred in such a short period of time were sufficient to attract the attention of everyone concerned with the Syrian pound both within Syria and abroad. It also stirred up a large

amount of "concern and uproar," to the extent that the newspaper AL-THAWRAH was prompted to issue its edition of Tuesday, 23 June, with an 8-column, front-page headline about the event--something that the Syrian press had never done before, even at the height of its concern about and concentration on economic events.

But this marked event and the climate of excitement which has developed around it did not come unannounced, nor did it surprise many who keep up with the Syrian pound and its exchange rate--especially those who monitored the progress of the pound's exchange rate during May and June. This period followed the move to establish a parallel money market in Syria, which dictated that the Syrian Central Bank fix a specific exchange rate for the Syrian pound with respect to other currencies each day according to the principles of supply and demand. This move was intended to facilitate industrial, commercial, tourist and financial operations and transactions and free the Syrian currency--and consequently the Syrian economy--from the negative factors which arose from the existence of an artificial exchange rate that was set officially but applied in practice only within a very narrow sphere. This situation caused the Syrian economy to suffer the negative effects of such restrictions without realizing any of their benefits.

For as has been confirmed throughout the past 2 months, it is evident that the new gains achieved by the Syrian pound on 20 and 21 June formed a natural and logical conclusion to the upward trend that the Syrian pound began experiencing early in May. At this time it began a gradual ascent from a level of 675 Syrian piasters per dollar--and 62 Lebanese piasters per Syrian pound on the Beirut market--to levels that were healthier for the Syrian economy and more secure and profitable for savers and investors.

Syrian pleasure at this development was complete, not only because of the improvement in the exchange rate of the Syrian pound but also because the improvement that occurred in the parallel market within Syria could bring with it a similar improvement in the free money market in Beirut, which is considered a standard by which to gauge all the currencies and an arena in which to monitor currency exchange rates. This is especially applicable to the Syrian pound since it is the currency of one of Lebanon's neighboring and most closely related countries. Moreover, the Beirut market is the primary outlet for the Syrian pound, just as Switzerland is the primary outlet for the French franc or the Italian lira.

The upward trend that the exchange rate of the Syrian pound has embarked on was a natural development for a number of reasons. Observers of economic and monetary conditions in Syria agree on the following causes:

1. The first reason, which involves monetary structure, pertains to the changes that the Syrian authorities introduced in the money market in Syria with the creation of a money market in which the exchange rate of the currency is determined by supply and demand (see AL-MUSTAQBAL AL-IQTISADI, volume 2, number 54, 9 May 1981, pp 55, 56).

The mere creation of this market (even though the decision to institute it went beyond an earlier anticipated deadline) was sufficient to cause a degree of relaxation in the Syrian money and commercial market. The market became able to provide a climate of sound and healthy interaction among industrialists and

businessmen (importers or exporters), who began to feel that they would no longer have to try to evade laws and regulations, smuggle Syrian currency or arrange to get foreign currency at high prices while remaining accountable for it to the state and its agencies at low prices.

This climate of relaxation may be effectively strengthened by the measures that accompanied the decision to create the parallel market, which specified the operations that would benefit from this market and the exported or imported goods to which the market's rates would be applied. These measures showed that the Syrian authorities were prepared to widen the field of application of these decisions to include broader operations and new goods.

2. The second reason, which is also a structural one, pertains to the developments introduced by the decisions for the guidance of the economic policy of Syria in both the commercial sector and the investment sector.

These measures first began with a decision that accompanied the creation of the parallel currency market and the regulations pertaining to the move to permit credits for importation in foreign currencies. However, within a few days they developed into the decisions for the guidance of importation, which prevented the importation of foreign cigarettes, women's readymade clothing, real and artificial flowers, perfumes, marble, air conditioners and other goods.

The basis for this move was that some of these items are luxuries and preventing their importation would not only provide hard currency that would ease the pressure on the Syrian pound but would also encourage the existing national industry and enable it to increase exportation, thereby increasing Syria's income from the foreign sector.

These are not isolated decisions but rather are part of measures that the Syrian authorities began adopting some time ago when they pledged in the new 5-year plan for 1981-1985 to concentrate new investments on the completion of projects that had already begun and not to establish new projects without first determining its economic benefits. The authorities are attempting to supplement these measures with other measures to bring about an improvement in Syrian production through development of the work and activity of the Standards and Specifications Organization.

3. The third factor that played a role in the improvement of the exchange rate of the Syrian pound is the reported fact that some of the Arab states are again paying some of the stipulated aid to Syria, both within the framework of the Arab summit conferences and of the Arab's commitments to fund the Arab deterrence forces in Lebanon.

Inconsistencies in the reports circulated about the actual aid payments that have reached Syria aside, the role of this financial aid in improving the Syrian currency exchange rate is incontestable. This is especially important during the current stage in which Syria is shouldering additional burdens in its military budgets because of its military and political role in Lebanon and because of the state of extreme war fever that has developed in the region since the outbreak of the so-called missile crisis.

The importance of the role of Arab aid in this connection is borne out by the following two indicators:

1. First, from early 1981 to the present, Syria has not received most of the Arab aid it was supposed to have collected from several Arab states both inside and outside the Gulf region. Moreover, \$75 million of the total aid traditionally given to Syria by AID each year since the mid-1970's (\$90 million) has been withheld.
2. Second, the steep decline in the exchange rate of Syrian currency, which brought it down to over 650 piasters per dollar and about 165 Syrian piasters per Lebanese lira, took place at a time when Syria's reserves of foreign currency had fallen to a low level after the states concerned had refused to advance any installments of aid.

The benefits to the Syrian economy from this advance in the exchange rate of the Syrian pound are very great indeed.

The first is that Syria has become more capable than ever of financing many of the urgent development and supply projects that will increase the capacity of its production base and consequently result in an increase in the national income, an increase in the export capacity and a decrease in imports.

The second benefit is that the improvement in the exchange rate of the Syrian pound will undoubtedly be reflected in a reduction in the inflationary pressures caused by the rising cost of various imports, particularly food and consumer goods.

To all this can be added the fact that the substantial improvement of the Syrian pound's exchange rate will do no harm to the export sectors (industry and agriculture) since the prices of Syrian export goods based on current exchange rate levels remain competitive with those of similar goods in neighboring markets.

Moreover, the new exchange rate of the Syrian pound will not hurt the Syrian tourist sector, which is still moderately priced (though tourism is not a major factor in the Syrian economy). When these additional facts are considered, it is clear that the recent monetary developments hold many advantages for Syria without doing any appreciable harm, unless one considers the harm done to an extremely small group of individuals who have been prevented from importing certain articles. At any rate, these individuals can shift to the marketing of other articles.

This leads to the following questions: How far can the exchange rate of the Syrian pound climb in the foreseeable future? Can it achieve a greater increase than it achieved early last week? Or could it become subject to negative pressures that will erode all the improvement it has achieved?

A reasonable answer to these questions is naturally tied to a determination of the factors that have played or could play positive or negative roles in the development of the Syrian economy and consequently its currency.

If it is a fact that the establishment of the parallel market has--as Syrian Minister of Economy Dr Muhammad al-Atrash anticipated--enabled Syria to strengthen its ability to control the exchange rate of the Syrian currency and increase it while lowering the exchange rates of foreign currencies, it is also a fact that this control has strengthened due to other factors. On the one hand, it has been strengthened because of the organization and regulation of the imports sector and due to the encouragement of exports and the improvement of the export returns. On the other hand, Syria's control over its exchange rate has been bolstered by some installments of Arab aid to the country, which is poor because it spends most of its budget for defense purposes.

While this means that a continuing effort to abide by and ensure these conditions is necessary to guarantee that the state of relative health now enjoyed by the Syrian currency continues, any disturbance of this balance will threaten some aspects of the improved situation. However, this danger is virtually nonexistent at present because, first, the Syrian authorities are determined to carry through the application of the new monetary techniques and second, because the Syrian political situation and the overall Arab strategic position make it incumbent on the Arabs to cease withholding aid from Syria, if not to increase it and coordinate aid payments.

Perhaps it is this fact that prompts many workers in the Syrian economy and observers of Syria's economic progress to urge the Syrian authorities to take advantage of the existing circumstances to push economic and monetary conditions to new levels of progress and improvement by additional liberalization measures in the areas of the economy, management, investment opportunities, production and services.

Additional measures in this direction will not only reinforce the results achieved thus far but will also give Syrian, Arab, and foreign investors additional confidence in the Syrian economy (without enabling them to take hold of it) as well as attracting back superior Syrian technical experts scattered through other countries, enabling the Syrian economy--and Syria generally--to benefit immensely from them.

If a thousand-mile journey begins with a single step, then those in Syria who have initiated the recent measures must follow them up with others that will naturally complete them, although they must do so gradually.

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CSO: 4304/70

BRIEFS

ORGANIZATION UNDER RIF'AT AL-ASAD--Within the context of its saboteur role in Lebanon and its instigation of turbulence and anarchy, the ruling regime in Damascus has recently formed a new armed organization to carry out this role called the Arab Knights Organization [Munazzamat al-Fursan al-'Arab]. Reports say the Rif'at al-Asad, the brother of this regime's ruler, is directly supervising this organization, which has been supplied with arms and light armor. These reports point out that the aforementioned organization stands behind the bloody events in Tripoli which have been going on for 3 days and which have led to the killing of 21 and the wounding of 47 others. [Text] [JN0716555 Baghdad Voice of the Masses in Arabic 1600 GMT 7 Aug 81]

CSO: 4304/135

COMPLIANCE WITH INDUSTRIAL LAW STRESSED

Dubai KHALEEJ TIMES in English 25 Aug 81 p 3

[Text]

INDUSTRIAL companies in the United Arab Emirates dragging their feet over compliance with the Federal Industrial Law which was introduced two years ago may have to face penalties.

This law required all such companies to register with the Ministry of Finance and Industry, detailing their capital formation and share distribution.

It gave foreign industrial companies until mid-1981 to transfer at least 51 per cent of their equity to UAE nationals and to ensure that both the chairman and deputy chairman of each board of directors were nationals. Only industrial companies with a capital of less than Dh 250,000 were exempt.

This week, the Director General of the Industry Department, Mr Jaffar Al Fardhan, told Khaleej Times in Abu Dhabi that only 300 out of the 658 industrial companies in the UAE had registered with the ministry. Only a few of them had ensured that UAE nationals were now majority shareholders.

He declared: "We are not going to waste any more time now. All the

companies concerned know the provisions of the law and it is the government's intention to enforce them rigorously."

SPECIAL INVESTIGATION

A special investigation had already begun to uncover details of capital formation of those companies which had not yet registered with the ministry.

Dubai has the highest number of companies which have registered—127; Sharjah has 88; Abu Dhabi 53; Ras Al Khaimah 22; Ajman eight; and Fujairah two.

The total capital investment represented by the companies so far registered amounts to Dh 2,209 billion of which the local element is Dh 1,197 billion.

Officials concede that some of the larger concerns could have difficulty in finding UAE nationals with sufficient capital to participate.

Mr Labib A. Sadoon, a senior official of the Industries Division in the ministry, emphasised that there was no intention "to nationalise foreign companies." The purpose of the law was to ensure that national interests were respected.

Asked what penalties might be incurred by companies which delayed

any further in ensuring the required degree of participation, Mr Sadoon said a special committee would consider each case and recommend a course of action against those which erred. The law provided for penalties ranging from Dh 10,000 to Dh 100,000.

He pointed out that one factor which could assist UAE nationals in finding the necessary finance would be the proposed Industrial Bank.

According to the bank's draft charter, it would have a government loan of one billion dirhams while its own capital would be Dh 500 million made up from 500,000 shares of Dh 1,000 each.

Final approval for establishing the Industrial Bank was, however, still awaited, he said.

Mr Sadoon further explained that although the special committee would examine each case and make recommendations on action, it would be the Council of the Minister for Finance and Industry that would determine matters such as compensation for companies.

The order to move on implementing the Federal Industrial Law was given by Shaikh Hamdan bin Rashid, Minister of Finance and Industry, who spoke of the need "to preserve national capital."

AGRICULTURAL PRODUCTION FIGURES FOR EASTERN REGION

Dubai KHALEEJ TIMES in English 22 Aug 81 p 3

[Text]

AGRICULTURAL production in the Eastern region, which increased steadily in the past ten years, is now enough to meet the needs of Abu Dhabi and Al Ain and also leaves a surplus.

This was announced by Mr Juma Harib, director of agriculture and animal husbandry in Al Ain.

He said agriculture had become the main source of livelihood for some families in the region.

He said this great expansion was the result of the attention paid by His Highness President Shaikh Zayed bin Sultan Al Nahyan who had ordered the issue of seeds and saplings, free drilling of wells and providing farmers with water pumps.

The President also assisted farmers by ordering payment of half the value of fertilisers and water-pumps as well as half the cost of the irrigation network up to a maximum of Dh 25,000 for each farm.

In addition, the agricultural department bears half the cost of fencing farms.

MODERN METHODS

Mr Harib said the department was trying to develop agriculture in the region further by introducing the latest systems of cultivation. The agricultural experiments station, the laboratories and the guidance centres played an important role in this regard.

The laboratories analyse soil and water to determine the type and quantity of fertilisers needed. Studies are also conducted on insects and diseases to fix the right type of insecticides.

The director said agricultural area in the region increased by 204 per cent from 16,124 dunum in 1970 to 49,102 dunum in 1980.

The number of farms rose from 290 in 1970 to 1,281 in 1980.

Fifty varieties of vegetables and fruits were produced last year and the production rose from 5,504 tons in 1977 to 13,858 tons in 1980, an increase of 140 per cent.

The loans disbursed by the department increased from Dh 2,460,384 in 1977 to Dh 9,491,853 in 1980 and 3,359 farmers benefited.

IRRIGATION

Mr Harib said spraying system was used for irrigation in government projects such as the Al Quha project. This saved 40 per cent of water compared to the flooding system.

The modern system of drip irrigation has now been implemented in private farms and it is used mostly for vegetable production. The number of farms adopting this system rose from one in 1975 to 173 in 1980 and the area from 15 dunum in 1975 to 3,163 dunum in 1980. This system saves 60 per cent of water compared to the traditional system.

There are 14 agricultural guidances centres affiliated to the department in Al Kattarah Seih bin Ammar, Al Ain, Abu Samra, Swehan, Dahan, Khazna, Al Showaib, Southern Al Wagn, Al Sad, Al Hair, Al Wagn, Medesese and Al Arad.

The services offered by the agricultural guidance division include ploughing 21,320 dunum, surveying 19,368 dunum, distribution of fertilisers to 7,601 dunum and cultivating 10,534 dunum.

The division distributed 37,500 kilograms of seeds, 14,790,600 vegetable saplings, 197,600 kilograms of potato seeds and 7,550 kilograms of fertilisers.

Regarding the department's plans Mr Harib said it would start a project for producing green fodder for animals on 100 hectares at Al Ashoush region.

LIVESTOCK

Regarding livestock, Mr Harib said the department gave awards to the nationals who breed livestock—Dh 100 for a camel and Dh 50 for every head of goat or sheep.

The number of goats and sheep increased from 49,559 in 1976 to 107,341 in 1980 while the number of camels rose from 17,037 in 1976 to 32,923 in 1980, an increase of 11 per cent.

The assistance offered by the department to the owners of livestock rose from Dh 5,885,350 in 1976 to Dh 11,243,450 in 1980 and the number of beneficiaries increased from 2,383 to 3,080 in 1980.

Animals are treated in the veterinary hospitals and clinics free of charge.

Regarding apiary, he said the number of beehives had risen from 148 in 1977 to 276 in 1980.—WAM

BRIEFS

FUTURE REFINING CAPACITY--UAE will rank fourth among Arab countries in oil refining capacity by 1983, according to an official study published in Abu Dhabi yesterday. The study, made by Dubai Chamber of Commerce and Industry estimates that the 1983 refining capacity of the country will be 290,000 barrels per day (BPD), compared to 15,000 BPD in 1979. The refining capacity of the Organisation of Arab Petroleum Exporting Countries (OAPEC) member states has reached 2.76 million BPD and is expected to go up to 5.36 million BPD by 1983.--WAM /Text/ /Dubai KHALEEJ TIMES in English 24 Aug 81 p 1/

EDUCATION STATISTICS CITED--The number of students in 69 private schools in the country at the end of the 1980-81 academic year was 30,368--16,386 boys and 13,982 girls--against 25,874 students in the previous year in 57 schools. A report of the Ministry of Education said that 25 schools were in Abu Dhabi, 26 in Dubai, 12 in Sharjah, 3 in Ajman, 2 in Ras Al Khaimah and one school in Fujairah. These schools had a teaching and administrative staff of 1,691. Private kindergartens numbered 279 with 9,233 children and nurseries, 85 with 2,697 children. Teachers and administrative staff of the Ministry of Education at the end of the 1980-81 academic year numbered 8,893. A report by the statistics division at the ministry revealed that 5,424 of them worked in primary schools, 2,829 in preparatory and secondary schools, 87 were imparting industrial education, 176 religious education and 9 commercial and agricultural education. Men numbered 4,240 and women 4,653. The report said that 3,546 teachers and administrators worked in Abu Dhabi emirate--267 in kindergartens, 2,228 in primary schools, 1,007 in preparatory and secondary schools, and 44 imparted religious education. There were 1,725 teachers and administrators in Dubai emirate, 1,525 in Sharjah, 399 in Ajman, 198 in Umm Al Quwain, 339 in Fujairah and 1,101 in Ras Al Khaimah. /Text/ /Dubai KHALEEJ TIMES in English 22 Aug 81 p 3/

AGRICULTURAL PROJECTS PROPOSED--A number of vital agricultural projects which will ensure future food security in the Sultanate are being planned by the Ministry of Agriculture and Fisheries. This includes the study and analysis of about 100,000 hectares of land in an effort to establish whether it can be used for planting. A further 900 hectares in Wadi Koriyat, Al Kamel, Al Wafi, Al Buraimi and the neighboring areas are to be planted with wheat. The Ministry is planning to support existing research stations in Al Ramees and Salalah, and to establish others in Shanass, Ibri and Ibra. Programmes are also underway for the building of poultry research stations in Al Ramees and Al Khabourah, and the next year will see the development of 40 centres for agricultural services. Under the Ministry's

plan to make drinking water available throughout the Sultanate, wells and falajs are to be extensively modernised and improved. Irrigation projects are being carried out in 11 areas and, in addition, studies are being conducted to establish efficient ways of watering new areas of land. /Text/ /Muscat THE TIMES OF OMAN in English 20 Aug 81 p 1

CSO: 4300/99

BRIEFS

AFESD LOAN GRANTED--The Arab Fund for Economic and Social Development (AFESD) has granted North Yemen a loan of \$5.04 million to finance its share of the pan-Arab telecommunications project. The loan comes on the heels of another one by the Kuwait Fund for Arab Economic Development (KFAED) for the same purpose (AN-NAHAR ARAB REPORT & MEMO, August 10). The North Yemeni portion of the \$30 million telecommunications project includes the establishment of two microwave links and related equipment, expanding existing lines between the capital Sana'a and Taiz and providing technical services. The project aims to link Somalia, Djibouti, North and South Yemen to the rest of the Arabian Peninsula and the Horn of Africa with a modern communications network (AN-NAHAR ARAB REPORT & MEMO, July 6). The sectoral distribution of the project is as follows: \$6.84 million for North Yemen, \$9.72 million for Somalia, \$5.4 million for Djibouti and \$6.48 million for South Yemen. AFESD has already extended credits to the last three countries to finance part of their share. Total AFESD lending to North Yemen now stands at \$132.84 million, according to reports from the fund's headquarters in Kuwait. These credits have financed three power projects, three water and sewage schemes, one road development plan and the current telecommunications project. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 33, 17 Aug 81 p 8]

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